

LINE ITEM TRANSFER AND / - & REVISION REQUEST FORM

2001-2002

PROBATE JUDGE/502

04/22/2002

FISCAL YEAR

DEPARTMENT NAME/NUMBER

DATE OF REQUEST

010-502-40032

OPERATIONAL

\$2,000.00

LINE ITEM ACCOUNT NUMBER

LINE ITEM DESCRIPTION

AMOUNT TO TRANSFER

EXPLAIN WHY THIS ITEM (IF ITEMS) IS NEEDED AND WHY IT WAS NOT BUDGETED FOR, TO COMPLETE THE PURCHASING OF NEW OFFICES TO UPGRADE COMPUTERS TO NECESSARY STANDARDS.

WAS THIS ITEM PREVIOUSLY CUT FROM YOUR BUDGET DURING THE BUDGET PROCESS?

YES

NO

010-502-30056

DATA PROCESSING

82,000.00

LINE ITEM ACCOUNT NUMBER

LINE ITEM DESCRIPTION

AMOUNT TO TRANSFER

WHY ARE THERE EXCESS FUNDS IN THIS ACCOUNT? WHAT ITEM WILL NOT BE NEEDED THAT WAS APPROVED DURING THE BUDGET PROCESS? OUR OFFICE HAS NOT YET EXCEEDED QUANTITIES.

APPROVED

SIGNATURE

Ann R. Hughes, Supervisor, Clerk

REASON

SIGNATURE

Phyllis E. Lombard, Finance Director

REASON

DENIED

SIGNATURE

Ann R. Hughes, Supervisor, Clerk

REASON

SIGNATURE

Phyllis E. Lombard, Finance Director

REASON

04/22/2002

LINE ITEM TRANSFER AND/OR REVISION REQUEST FORM

2001-2002 FISCAL YEAR

PROBATE JUDGE / 502

DEPARTMENT NAME / NUMBER

DATE OF REQUEST

06/22/2002

010-502-40032
LINE ITEM ACCOUNT NUMBER

OPERATIONAL
LINE ITEM DESCRIPTION

\$5,000.00

AMOUNT TO TRANSFER

EXPLAIN WHY THIS ITEM (OR ITEMS) IS NEEDED AND WHY IT WAS NOT BUDGETED FOR

TO COMPLETE THE FURNISHINGS OF NEW OFFICES, IN UPGRADE COMPUTERS
TO NECESSARY STANDARDS.

WAS THIS ITEM PREVIOUSLY CUT FROM YOUR BUDGET DURING THE BUDGET PROCESS?

YES

NO

010-502-20016
LINE ITEM ACCOUNT NUMBER

COURT EXPENSE
LINE ITEM DESCRIPTION

\$5,000.00

AMOUNT TO TRANSFER

WHY ARE THERE EXCESS FUNDS IN THIS ACCOUNT? WHAT ITEM WILL NOT BE NEEDED THAT WAS APPROVED DURING THE BUDGET PROCESS?

WE HAVE BEEN ABLE TO MAINTAIN AND ENCOURAGE LOWER
PRICED WEBS FOR ADMINISTRATIVE ADS THROUGH PUBLICATION.

APPROVED

SIGNATURE

Ann A. Hughes, Supervisor/Chair

REASON

SIGNATURE

Phyllis E. Lombard, Finance Director

REASON

SIGNATURE

Ann A. Hughes, Supervisor/Chair

REASON

SIGNATURE

Phyllis E. Lombard, Finance Director

REASON

DENIED

OCONEE COUNTY

EDUCATION TASK FORCE

FINAL REPORT TO COMMITTEE MEMBERS

The Education Task Force was formed by the Oconee County Council, June 2001, following its strategic planning retreat, May 2001, at the Appalachian Council of Governments building in Greenville, SC. The task force was directed to address four specific goals:

1. Identify future work force needs of future employers
2. Identify ways to increase the percentage of the population with a high school diploma or GED
3. Determine ways to enhance educational opportunities for the county's Hispanic population
4. Explore ways to improve test scores

To address these goals the committee relied heavily upon the experience and training of the committee members and studies already completed by Tri-County Technical College, SC Employment Security Commission, School District of Oconee County, and similar reports from other individuals. Some of the studies examined by the committee are attached. The committee realizes that overall responsibility for the educational achievement of the youth of Oconee County is shared by many individuals, to include all citizens, but direct responsibility is cast upon the School District of Oconee County (SDOC) by SC State Law, unless parents choose to send their children to private schools. To support this charge by state law, the committee recommends the following:

1. Oconee County Council officially support the SDOC as they implement a change to an appointed superintendent of education
2. Oconee County Council make an official request to the Oconee County Legislative Delegation that legislation be enacted in the state legislature to grant the SDOC fiscal independence.

Goal # 1- Identify Work Force Needs of Future Employers

Many jobs will be available in Oconee County that are considered entry level. For example, the top 4 most widely held jobs in the Anderson, Oconee, Pickens Area are cashiers, assemblers, retail salespersons, and food preparation workers in that order. The top ten could all be classified as entry level. The fastest growing occupations in South Carolina, however, all require computer skills. According to members of the committee and information from the state employment security commission, the top 5 skills needed by employers are integrity and honesty, team player ability, communications skills, computational skills, and responsibility.

Most workers will want to move beyond the entry level as quickly as possible, therefore, addressing educational improvement is immediately essential. The committee recommends that the Oconee County Council form a permanent educational/economic task force for the purpose of improving communication and planning (short term and long term) to increase the quality of the work force in Oconee County. This task force should consist of representatives from the following:

1. School District of Oconee (1)
2. Tri-County Technical College (1)
3. Industry (3)
4. County Government (1)
5. Clemson University (1)
6. Business (3)
7. County Economic Planning Director (Coordinator)

Goal # 2- Identify Ways to Increase the Percentage of the Population with High School Diploma or GED

The committee recommends that county government assist and encourage all citizens to become involved in the education process as volunteers, tutors, and workers. County government and the School District of Oconee County (SDOC) are encouraged to cooperate in the following ways:

1. Focus on Early Childhood Education, beginning with prenatal care.
2. Identification of specific skills and knowledge needed that are not present in our high school graduates.
3. Support efforts to provide additional guidance professional, materials and other support to allow time for more individual contact between counselors and students.
4. Support efforts to reduce class size.
5. Increase the involvement of business and industry in the educational process.
6. Seek additional emphasis by business and industry on the importance of a high school diploma, for both adults and students.

7. Developing a comprehensive long-range plan that addresses all areas of school operations.
8. The SDOC has recently initiated other drop-out reduction measures and these should be evaluated as results become available.
9. Close coordination between the SDOC and the First Steps Program should be mandated.
10. The number of full-day four year old kindergarten classes should be increased as needed.

Goal # 3- Determine Ways to Enhance Educational Opportunities for the County's Hispanic Population

At the present time the number of Hispanics in the county constitute a very small segment of the total population, however, this number continues to grow and estimates indicate that the Hispanic population will be at least 5% within the next ten years. Hispanics are an important segment of the Oconee work force but many are hampered by the language barrier and the skills necessary for highly technical jobs. The language barrier causes severe problems even in many entry-level occupations.

In the classroom, a student who does not understand the English language is at an extreme disadvantage, and unless there is help available, learning for him or her is nil. Occasionally, the classroom teacher has some Spanish skills and can communicate enough to offer some help, or there are students who can lend limited support and encouragement. Spanish speaking volunteers are desperately needed within the classrooms and in one-on-one tutoring sessions.

The committee recommends that the County Government, enlist private industries, churches, and the SDOC to work cooperatively in providing the following:

1. Language Support – to assist with various forms such as immigration papers, driver's license, medical records, and job applications.
2. Baby-sitting/childcare services- during working hours and release time for parental language classes or other instructional functions.
3. Homework help – helping parents understand what is needed and how to provide homework assistance to their children. Homework centers at targeted schools are highly recommended.
4. Transportation from after school homework centers and some public transportation for adults to pick-up sick children at school.
5. Scheduled work-release for parent-teacher conferences at school.
6. Adult Language/American Culture classes – flexibly-scheduled to ensure maximum participation.
7. Target key Hispanic leaders and/or key cultural/social centers to promote education.
8. Industrial and business support to re-emphasize education: career potential connection.

Goal # 4 - Explore Ways to Improve Test Scores:

The SDOC undertook an exhaustive study of standardized test results for Oconee students during the 1999-2000 School Year. This study included (1) having each school to submit a plan for improving test scores, (2) conducting a comprehensive curriculum audit, (3) including test score improvement in the Principal Evaluation Instrument, and (4) setting goals for each school for the next four years. As a result of this study, specific actions were agreed upon and are now in place. These actions emphasize teacher training, use of technology, and early intervention for at-risk students. A copy of these actions is attached to this report.

The committee recommends:

1. The County Government join the SDOC in making academic achievement top priority by publicly endorsing these actions.
2. County Government support by example various reading programs, especially in the lower elementary grades.
3. The SDOC annually furnish County Government a detailed report of standardized test results for each school during the next four-year period. These results should include whether or not each school and the school district met their goals.

AN ORDINANCE

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING FIVE MILLION DOLLARS (\$5,000,000) OCONEE COUNTY, SOUTH CAROLINA, GENERAL OBLIGATION BONDS, SERIES 2002; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

TABLE OF CONTENTS

ARTICLE I

FINDINGS OF FACT

SECTION 1.01 OBJECTIVES.....	1
SECTION 1.02 RECITAL OF APPLICABLE CONSTITUTIONAL PROVISIONS.....	1
SECTION 1.03 HOLDING OF PUBLIC HEARING AND NOTICE THEREOF.....	1
SECTION 1.04 NOTICE OF ADOPTION OF ORDINANCE.....	2

ARTICLE II

DEFINITIONS AND CONSTRUCTION

SECTION 2.01 DEFINITIONS.....	2
SECTION 2.02 CONSTRUCTION.....	4

ARTICLE III

ISSUANCE OF BONDS

SECTION 3.01 ORDERING THE ISSUANCE OF BONDS.....	5
SECTION 3.02 MATURITY SCHEDULE OF BONDS.....	5
SECTION 3.03 PROVISION FOR PAYMENT OF INTEREST ON THE BONDS.....	5
SECTION 3.04 MEDIUM OF PAYMENT: FORM AND DENOMINATION OF BONDS, PLACE OF PAYMENT OF PRINCIPAL.....	6
SECTION 3.05 AGREEMENT TO MAINTAIN REGISTRAR AND PAYING AGENT.....	6
SECTION 3.06 EXECUTION AND AUTHENTICATION.....	6
SECTION 3.07 EXCHANGE OF BONDS.....	7
SECTION 3.08 TRANSFERABILITY AND REGISTRY.....	7
SECTION 3.09 TRANSFER OF BONDS.....	7
SECTION 3.10 REGULATIONS WITH RESPECT TO EXCHANGES AND TRANSFERS.....	7
SECTION 3.11 MUTILATED, DESTROYED, LOST AND STOLEN BONDS.....	7
SECTION 3.12 HOLDER AS OWNER OF BOND.....	8
SECTION 3.13 CANCELLATION OF BONDS.....	8
SECTION 3.14 PAYMENT DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS.....	8
SECTION 3.15 CONDITIONS RELATING TO NAMING OF INTEREST RATES.....	9
SECTION 3.16 TAX EXEMPTION IN SOUTH CAROLINA.....	9
SECTION 3.17 ORDER OF TAX LEVY TO PAY PRINCIPAL AND INTEREST OF BONDS.....	9
SECTION 3.18 NOTICE TO AUDITOR AND TREASURER TO LEVY TAX.....	9
SECTION 3.19 FORM OF BONDS.....	10
SECTION 3.20 BOOK ENTRY.....	10
SECTION 3.21 SEPARATE SERIES OF BONDS.....	11

ARTICLE IV

REDEMPTION OR PURCHASE OF BONDS

SECTION 4.01 AUTHORIZATION OF REDEMPTION.....	11
SECTION 4.02 COUNTY'S ELECTION TO REDEEM.....	12
SECTION 4.03 NOTICE OF REDEMPTION.....	12
SECTION 4.04 SELECTION BY REGISTRAR OF BONDS TO BE REDEEMED.....	13
SECTION 4.05 DEPOSIT OF REDEMPTION PRICE.....	13
SECTION 4.06 PARTIAL REDEMPTION OF BONDS.....	13
SECTION 4.07 PURCHASES OF BONDS OUTSTANDING.....	17

ARTICLE V

SALE OF BONDS

SECTION 5.01 DETERMINATION OF TIME TO RECEIVE BIDS – FORM OF NOTICE OF SALE	14
SECTION 5.02 AWARD OF BONDS	14

ARTICLE VI

DISPOSITION OF PROCEEDS OF SALE OF BONDS

SECTION 6.01 DISPOSITION OF BOND PROCEEDS INCLUDING TEMPORARY INVESTMENTS	14
---	----

ARTICLE VII

DEFEASANCE OF BONDS

SECTION 7.01 DISCHARGE OF ORDINANCE – WHERE AND HOW BONDS ARE DEEMED TO HAVE BEEN PAID AND DEFEASED	15
---	----

ARTICLE VIII

CONCERNING THE FIDUCIARIES

SECTION 8.01 FIDUCIARY; APPOINTMENT AND ACCEPTANCE OF DUTIES	16
SECTION 8.02 RESPONSIBILITIES OF FIDUCIARIES	16
SECTION 8.03 EVENTS ON WHICH FIDUCIARIES MAY ACT	16
SECTION 8.04 COMPENSATION	17
SECTION 8.05 CERTAIN PERMITTED ACTS	17
SECTION 8.06 RESIGNATION OF ANY FIDUCIARY	17
SECTION 8.07 REMOVAL OF FIDUCIARY	17
SECTION 8.08 APPOINTMENT OF SUCCESSOR FIDUCIARIES	17
SECTION 8.09 TRANSFER OF RIGHTS AND PROPERTY TO SUCCESSOR	18
SECTION 8.10 MERGER OR CONSOLIDATION	18
SECTION 8.11 ADOPTION OF AUTHENTICATION	18

ARTICLE IX

CERTAIN TAX CONSIDERATIONS

SECTION 9.01 GENERAL TAX COVENANT	19
SECTION 9.02 TAX REPRESENTATIONS	19
SECTION 9.03 RIBATE	19

ARTICLE X

AMENDING AND SUPPLEMENTING ORDINANCE

SECTION 10.01 AMENDING AND SUPPLEMENTING OF ORDINANCE WITHOUT CONSENT OF HOLDERS OF BONDS	21
SECTION 10.02 AMENDING AND SUPPLEMENTING OF ORDINANCE WITH CONSENT OF HOLDERS OF BONDS	21
SECTION 10.03 NOTATION UPON BONDS, NEW BONDS ISSUED UPON AMENDMENTS	23
SECTION 10.04 EFFECTIVENESS OF SUPPLEMENTAL ORDINANCE	23
SECTION 10.05 SUPPLEMENTAL ORDINANCE AFFECTING RES/AL AGENTS	23

ARTICLE XI

MISCELLANEOUS

SECTION 11.01 FAILURE TO PRESENT BONDS.....	22
SECTION 11.02 SEVERABILITY OF INVALID PROVISIONS.....	23
SECTION 11.03 SUCCESSORS.....	23
SECTION 11.04 ORDINANCE TO CONSTITUTE CONTRACT.....	23
SECTION 11.05 FILING OF COPIES OF ORDINANCE.....	31
SECTION 11.06 FURTHER ACTION BY OFFICERS OF COUNTY.....	23
SECTION 11.07 CONTINUING DISCLOSURE.....	24
SECTION 11.08 EFFECTIVE DATE OF THIS ORDINANCE.....	24

EXHIBIT A - FORM OF NOTICE OF PUBLIC HEARING

EXHIBIT B - FORM OF BOND

EXHIBIT C - FORM OF OFFICIAL NOTICE OF SALE

EXHIBIT D - FORM OF SUMMARY NOTICE OF SALE

EXHIBIT E - FORM OF NOTICE OF ADOPTION OF ORDINANCE

EXHIBIT F - FORM OF CONTINUING DISCLOSURE UNDERTAKING

BE IT ORDAINED BY THE COUNTY COUNCIL OF OCONEE COUNTY, SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this Ordinance and the issuance of the bonds provided for herein, the County Council of Oconee County (the "Council"), the governing body of Oconee County, South Carolina (the "County"), finds that the facts set forth in this Article exist, and the statements made with respect thereto are true and correct.

Section 1.01 Objectives.

(a) By virtue of Chapter 15 of Title 4, as supplemented by Section 11-27-40, Code of Laws of South Carolina 1976, the County is empowered to issue general obligation bonds for any "authorized purpose" as therein defined. The above-referenced chapters and section of the Code of Laws of South Carolina 1976, as amended, are hereinafter collectively referred to as the "Enabling Act".

(b) After due investigation, the Council has determined that it is in the best interest of the County that the County undertake the financing of phase one of the Law Enforcement Center of the County (the "Project"). In so authorizing the issuance of such general obligation bonds, the Council finds that the benefits arising from the Project will accrue to all persons and property within the County.

(c) The bonds authorized herein may be issued in one or more series, as provided herein.

Section 1.02 Recital of Applicable Constitutional Provisions.

Section 14 of Article X of the Constitution of the State of South Carolina provides that subsequent to November 30, 1977, the counties of the State of South Carolina may issue bonded indebtedness in an amount not exceeding 8% of the assessed value of all taxable property therein without the necessity of conducting a referendum, and provides further that no bonded indebtedness incurred on or prior to November 30, 1977 shall be charged against such 8% debt limitation. The assessed value of all taxable property located within the County for the year 2001, which is the last completed assessment thereof, is not less than the sum of \$335,326,270, exclusive of new industrial property exempt from taxation pursuant to Section 3(g) of Article X of the Constitution. Thus, the 8% debt limit of the County is not less than \$26,826,901. At present, \$15,665,000 in general obligation debt is presently chargeable against this limit. Thus, with respect to the proposed bonds of the County referred to in Section 1.01(b) hereof, the Council may cause to be issued general obligation bonds in the aggregate principal amount of approximately \$11,161,901 at the present time based on such final 2001 assessed value for the purpose of paying the costs of the Project and issuance costs.

Section 1.03 Holding of Public Hearing and Notice Thereof.

Pursuant to the provisions of Section 4-9-130 of the South Carolina Code, a public hearing, after giving reasonable notice, is required to be conducted prior to the third and final reading of this Ordinance by the Council. In accordance with this provision, a public hearing shall be conducted and due notice shall be provided all to be required by said Section 4-9-130. The form of the notice as published in the Journal-Tribune in the City of Seneca, South Carolina, the Keowee Courier in the City of Walhalla, South Carolina and the Westminster News in the City of Westminster, South Carolina shall be substantially as set forth in Exhibit A attached hereto.

Section 1.04 Notice of Adoption of Ordinance.

With respect to the not exceeding \$5,000,000 of general obligation bonds to be issued hereunder to defray the cost of the Project, Section 4-9-1220 of the South Carolina Code provides that within 60 days following the adoption by the Council of an Ordinance authorizing the issuance of general obligation debt, a petition signed by not less than fifteen percent of the qualified electors of the County may be filed with the Clerk of the Council requesting that the portions of the Ordinance authorizing such bonds be repealed. However, said Section 4-9-1220 does not apply in the event the Council publishes notice of the adoption of the Ordinance in accordance with the provisions of Section 11-27-40(8) of the South Carolina Code. Under said Section 11-27-40(9), a notice signed by five qualified electors requesting the repeal of said portions of the Ordinance may be filed with the Clerk of the Council and with the Clerk of the Court of Common Pleas of the County within 20 days of the published notice. In accordance with this provision, the notice prescribed thereby shall be published subsequent to the third and final reading of this Ordinance. The notice is to be published substantially in the form attached hereto as Exhibit E.

ARTICLE II

DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions.

As used in this Ordinance unless the context otherwise requires, the following terms shall have the following respective meanings:

"Authorized Investments" means any investments that are at the time legal for investment of the County's funds under the laws of the State of South Carolina and of the United States.

"Authorized Officer" means the Supervisor/Chairman or the Vice-Chairman of the Council and any other officer or employee of the Council designated from time to time as an Authorized Officer by resolution of the Council, and when used with reference to any act or document also means any other person authorized by resolution of the Council to perform such act or sign such document.

"Beneficial Owner" means, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant or such person's subrogee.

"Bond" or "Bonds" means any of the Bonds of the County authorized by this Ordinance.

"Bondholder" or "Holder" or "Holders of Bonds" or "Owner" or similar term means, when used with respect to a Bond or Bonds, any person who shall be registered as the owner of any Bond Outstanding; provided, that in the event the Bonds are issued in separate series pursuant to Section 3.21 hereof, such terms shall refer only to the registered owners of the respective series of Bonds.

"Bond Payment Date" means each April 1 and October 1 on which interest on any of the Bonds shall be payable or on which both a Principal Instalment and interest shall be payable on any of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Undertaking" shall mean that certain Continuing Disclosure Undertaking in the form prescribed by United States Securities and Exchange Commission Rule 15c2-12 authorized pursuant to Section 10.07(b) hereof, as originally executed and as the same may be amended from time to time in accordance with the terms thereof.

"Corporate Trust Office", when used with respect to any Paying Agent or Registrar, means the office at which its principal corporate trust business shall be administered.

"Council" means the Oconee County Council, South Carolina, the governing body of the County or any successor governing body of the County.

"County" means Oconee County, South Carolina.

"County Request" means a written request of the County signed by an Authorized Officer.

"DTC" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Enabling Act" means Chapter 15 of Title 4 as supplemented by Section 11-27-40, of the South Carolina Code.

"Fiduciary" means the Paying Agent, the Registrar and their successors and assigns.

"Government Obligations" means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America.

"Improvements" means those certain Improvements as defined in Section 1.01 hereof.

"Nominee" means the nominee of the Securities Depository which shall be the Holder of bonds while held under a book-entry only system and any successor appointed by the Securities Depository. The initial Nominee shall be Cede & Co.

"Ordinance" means this Ordinance as the same may be amended or supplemented from time to time in accordance with the terms hereof.

"Outstanding", when used in this Ordinance with respect to Bonds means, as of any date, all Bonds theretofore authenticated and delivered pursuant to this Ordinance except:

- (i) any Bond cancelled or delivered to the Registrar for cancellation on or before such date;
- (ii) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of Section 7.01 hereof; and
- (iii) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to Section 3.11 of this Ordinance.

"Participants" means those broker-dealers, banks and other financial institutions for which the Securities Depository holds Bonds as securities depository.

"Paying Agent" means any bank, trust company or national banking association which is authorized to pay the Principal Installment or Redemption Price of or interest on any Bonds and having the duties, responsibilities and rights provided for in this Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Paying Agent may also act as Registrar.

"Person" means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

"Principal Installment" means, as of any date of calculation, the principal amount of all Bonds due on a specified date.

"Record Date" means the 15th day of the month immediately preceding each Bond Payment Date.

"Redemption Price", when used with respect to a Bond or portion thereof to be redeemed, means the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Resolution.

"Registrar" means any bank, trust company, or national banking association which is authorized to maintain an accurate list of those who from time to time shall be the Holders of the Bonds and shall effect the exchange and transfer of Bonds in accordance with the provisions of this Ordinance and having the duties, responsibilities, and rights provided for in this Ordinance and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Registrar may also act as Paying Agent.

"Representation Letter" means the Letter of Representations from the County to DTC with respect to the Bonds, which shall be deemed to be a part of this Ordinance and shall be the binding obligation of the County.

"Securities Depository" means the administrator of the book-entry only system for the Bonds, as further described in Section 3.20 hereof and any successor appointed as provided in Section 3.20(h) hereof. The initial Securities Depository shall be DTC.

"South Carolina Code" means the Code of Laws of South Carolina 1976, as amended.

"Supervisor/Chairman" means the Supervisor/Chairman of the County.

"Term Bonds" shall have the meaning provided in Section 3.02 hereof.

Section 3.02: Construction

In this Ordinance, unless the context otherwise requires:

(a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Ordinance.

(b) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms refer to this Ordinance, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of adoption of this Ordinance.

(c) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(d) Any Fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Ordinance, even though such Authorized Investment is evidenced only by a book entry or similar record of investment.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01 Ordering the Issuance of Bonds

Pursuant to the provisions of the Enabling Act, and for the purpose of obtaining funds to defray the costs of the Project and of the refunding described in Section 1.01 hereof, there shall be issued not exceeding Five Million Dollars (\$5,000,000) aggregate principal amount of general obligation bonds of the County. Such Bonds shall be designated "General Obligation Bonds of Oconee County, South Carolina" and shall be designated as "Series 2002". In the event the Bonds are issued in more than one series as provided in Section 3.21 hereof, the separate series of the Bonds shall be designated by a subseries designation such as "Series 2002A," "Series 2002B" or a similar designation. Further, prior to sale of the Bonds, the Supervisor/Chairman may elect to add the additional descriptive term "improvement," as applicable, to the title of the Bonds.

Section 3.02 Maturity Schedule of Bonds

Unless determined otherwise by the Supervisor/Chairman, interest on the Bonds shall be payable on April 1, 2003 (or, if the Bonds are not issued until a date which is less than 60 days prior to such date, on October 1, 2003) and semiannually thereafter on April 1 and October 1 of each year until payment of the principal thereof. Subject to the requirements of the Enabling Act, the Bonds shall mature on April 1 of such years, beginning not later than April 1, 2004, and ending not later than April 1, 2023, and in such amounts, as shall be determined by the Supervisor/Chairman. In this regard, the Chairman/Supervisor, in her discretion, may determine that certain maturities of the Bonds will be subject to mandatory sinking fund redemption prior to their stated maturity date (such Bonds, the "Term Bonds"). In such event, the Supervisor/Chairman shall also determine the respective principal amounts of such mandatory sinking fund redemptions and the years (on April 1 thereof) in which such redemptions shall occur.

Pursuant to the provisions of Section 4.01 hereof, certain Bonds have been made subject to redemption at the option of the County.

Section 3.03 Provision for Payment of Interest on the Bonds

The original issue date of the Bonds shall be the first day of the month in which the Bonds are first delivered, or such other date as may be selected by the Supervisor/Chairman. The Bonds shall be authenticated on such dates as they shall, in each case, be delivered. Each Bond shall bear interest from the original issue date if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of such Bond's authentication. The interest payment on a Bond shall be made in accordance with Section 3.04(c) hereof to the Person in whose name such Bond is registered in accordance with Section 3.08 hereof at the close of business on the Record Date with respect to such payment.

Section 3.04 Medium of Payment, Form and Denomination of Bonds, Place of Payment of Principal

(a) The Bonds shall be payable as to Principal Installment or Redemption Price and interest at the rates per annum determined in the manner prescribed by Section 3.15 hereof (on the basis of a 360 day year of twelve 30-day months) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bonds shall be issued in the form of registered, book-entry Bonds. The Bonds shall be issued in the denomination of \$5,000 or any whole multiple thereof, not exceeding the principal amount of the Bonds maturing in such year. The Bonds shall be identified in such fashion as to maintain a proper record thereof.

(c) The Principal Installment or Redemption Price of all Bonds shall be payable at the Corporate Trust Office of the Paying Agent; and payment of the interest on each Bond shall be made by the Paying Agent to the Person appearing on the applicable Record Date on the registration books of the County, which books shall be held by the Registrar as provided in Section 3.08 hereof, as the registered owner thereof, by check or draft mailed to such registered owner at his address as it appears on such registration books in sufficient time to reach such registered owner on the Bond Payment Date. Payment of the Principal Installment or Redemption Price of all Bonds shall be made upon the presentation and surrender for cancellation of such Bonds as the same shall become due and payable.

Section 3.05 Agreement to Maintain Registrar and Paying Agent

As long as any of the Bonds remain Outstanding there shall be a Registrar and a Paying Agent each of which shall be a financial institution maintaining Corporate Trust Offices where (i) the Bonds may be presented for registration of transfers and exchanges, (ii) notices and demands to or upon the County in respect of the Bonds may be served, and (iii) the Bonds may be presented for payment, exchange and transfer. Initially, the financial institution agreed upon by the County and the successful bidder at the sale of the Bonds shall act as both Paying Agent and Registrar. In the event of a failure to agree, a financial institution designated by the County shall act as Paying Agent and Registrar. The single institution so chosen shall exercise both the functions of the Paying Agent and the Registrar. In the event the Bonds are sold in separate series pursuant to Section 3.21 hereof, a separate Registrar and Paying Agent shall be maintained for each series (which separate Paying Agent and Registrar may be the same financial institution as shall serve in such capacities with respect to any of the other series of the Bonds).

Section 3.06 Execution and Authentication

(a) The Bonds shall be executed in the name and on behalf of the County by the manual or facsimile signature of the Supervisor/Chairman, with its corporate seal impressed, imprinted or otherwise reproduced thereon, and attested by the manual or facsimile signature of the Clerk of the Council or other Authorized Officer (other than the officer executing such Bonds). Bonds bearing the manual or facsimile signature of any Person who shall have been such an Authorized Officer at the time such Bonds were so executed shall bind the County notwithstanding the fact that she may have ceased to be such Authorized Officer prior to the authentication and delivery of such Bonds or was not such Authorized Officer at the date of the authentication and delivery of the Bonds.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in this Ordinance, duly executed by the manual signature of the Registrar; and such certificate of authentication upon any Bond executed on behalf of the County shall be conclusive evidence that the Bond

so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of this Ordinance.

Section 3.07 Exchange of Bonds

Bonds upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Holder or his duly authorized attorney, may, at the option of the registered Holder thereof, be exchanged for an equal aggregate principal amount of Bonds in authorized denominations of the same interest rate and maturity. So long as any of the Bonds remain Outstanding, the County shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office of the Registrar.

Section 3.08 Transferability and Registry

All Bonds shall at all times, when the same are Outstanding, be payable, both as to Principal Installment, Redemption Price and interest to a Person, and shall be transferable, only in accordance with the provisions for registration and transfer contained in this Ordinance and in the Bonds. So long as any of the Bonds remain Outstanding, the County shall maintain and keep, at the Corporate Trust Office of the Registrar, books for the registration and transfer of Bonds, and, upon presentation thereof for such purpose at the Corporate Trust Office of the Registrar, the County shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Registrar may prescribe, any Bond, except that under no circumstances shall any Bond be registered or transferred to bearer. So long as any of the Bonds remain Outstanding, the County shall make all necessary provisions to permit the transfer of Bonds at the Corporate Trust Office of the Registrar.

Section 3.09 Transfer of Bonds

Each Bond shall be transferable only upon the books of the County, which shall be kept for such purpose at the Corporate Trust Office of the Registrar which shall be maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Holder of such Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney. Upon surrender for transfer of any such Bond, the County shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one or more new Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond. All action taken by the Registrar pursuant to this section shall be deemed to be the action of the County.

Section 3.10 Regulations with Respect to Exchanges and Transfers

All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Registrar. For each such exchange or transfer of Bonds, the County or the Registrar may make a charge sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the Holder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The County shall not be obligated to issue, exchange or transfer any Bond during the 15 days next preceding any Bond Payment Date of the Bonds.

Section 3.11 Mutilated, Destroyed, Lost and Stolen Bonds

(a) If any mutilated Bond is surrendered to the Registrar and the Registrar or the County receive evidence to their satisfaction of the destruction, loss or theft of any Bond, and there is delivered to

the Registrar and the County such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice that such Bond has been acquired by a *bona fide* purchaser, the County shall execute, and upon County Request, the Registrar shall authenticate and deliver, in exchange for any such mutilated Bond or in lieu of any such destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number unlike that of a Bond contemporaneously Outstanding. The Registrar shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

(b) Upon the issuance of any new Bond under this Section 3.11, the County may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the County or the Registrar connected therewith.

(c) Each new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond, shall constitute an additional contractual obligation of the County, whether or not the destroyed, lost or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued pursuant to this Ordinance. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds or securities.

Section 3.12 Holder as Owner of Bond

Subject to the provisions of Section 3.20 hereof, the County, the Registrar and any Paying Agent may treat the Holder of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment or Redemption Price of and interest on such Bond and for all other purposes, and payment of the Principal Installment, Redemption Price and interest shall be made only to, or upon the order of, such Holder. All payments to such Holder shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor any Paying Agent shall be affected by any notice to the contrary.

Section 3.13 Cancellation of Bonds

The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the County. No such Bonds shall be deemed Outstanding under this Ordinance and no Bonds shall be issued in lieu thereof.

Section 3.14 Payments Due on Saturdays, Sundays and Holidays

In any case where the Bond Payment Date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest on or Principal Installment or Redemption Price of the Bonds need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date and no interest shall accrue for the period after such date.

Section 3.15 Conditions Relating to Naming of Interest Rates

The Bonds shall bear such rate or rates of interest as shall at the sale of such Bonds reflect the lowest net interest cost to the County calculated in the manner hereinafter prescribed in this Section 3.15 at a price of not less than par, but:

- (a) all Bonds of the same maturity shall bear the same rate of interest;
- (b) no rate of interest named shall be more than two (2) percentage points higher than the lowest rate of interest named;
- (c) each interest rate named shall be a multiple of 1/20th or 1/8th of one (1) percentage point; and
- (d) any premium offered must be paid in cash as a part of the purchase price.

provided, however, that the Supervisor/Chairman is hereby authorized to make any such adjustments to any of the above criteria as she, upon the advice of the Finance Director, shall determine prior to offering the Bonds for sale.

For the purpose of determining lowest net interest cost, the aggregate of interest on all Bonds from the first day of the month in which the Bonds are delivered, which is the original issue date, until their respective maturities, less any sum named by way of premium, shall be determined on each bid and the smallest amount to be paid by the County shall reflect lowest net interest cost.

Section 3.16 Tax Exemption in South Carolina

Both the Principal Installment and interest on said Bonds shall be exempt from all State, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

Section 3.17 Order of Tax Levy to Pay Principal and Interest of Bonds

For the payment of the Principal Installment and interest on the Bonds as the same respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are hereby irrevocably pledged, and there shall be levied annually by the Auditor of Oconee County, and collected by the Treasurer of Oconee County, in the same manner as county taxes are levied and collected, a tax on all taxable property in said County, sufficient to pay the Principal Installment and interest on such Bonds as they respectively mature, and to create such sinking fund as may be necessary therefor.

Section 3.18 Notice to Auditor and Treasurer to Levy Tax

The Auditor and Treasurer of Oconee County, South Carolina, shall be notified of this issue of Bonds and directed to levy and collect, respectively, upon all taxable property in said County an annual tax sufficient to meet the payment of the Principal Installment and interest on said Bonds, as the same respectively mature, and to create such sinking fund as may be necessary therefor.

Section 3.19 Form of Bonds

The form of the Bonds, and registration provisions to be endorsed thereon shall be substantially as set forth in Exhibit B attached hereto and made a part of this Ordinance.

Section 3.20 Book-Entry

(i) Except as provided in paragraph (iii) of this subsection (a), the Bonds shall be held under a book-entry only system administered by the Securities Depository and shall be registered in the name of the Nominee. Payment of interest on any Bond registered in the name of the Nominee shall be made by New York Clearing House or equivalent next day funds to the account of the Nominee on the interest payment date for the Bonds at the address indicated for the Nominee on the registration books kept by the Registrar.

(ii) The Bonds shall be initially issued in the form of separate, single, authenticated fully-registered Bonds in the amount of each separately stated maturity of Bonds. Upon initial issuance, the ownership of each such Bond shall be registered on the registration books kept by the Registrar in the name of the Nominee. The County may treat the Securities Depository (or the Nominee) as the sole and exclusive owner of the Bonds registered in the name of the Nominee for the purposes of (A) paying the principal of or interest on the Bonds, (B) selecting the Bonds or portions thereof to be redeemed, (C) giving any notice permitted or required to be given to Holders of Bonds under the Ordinance, (D) registering the transfer of Bonds, and (E) requesting any consent or other action to be taken by the Holders of the Bonds and for all other purposes whatsoever; and neither the Registrar nor County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any Beneficial Owner or any other person claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the registration books of the registrar as being a Holder of Bonds, with respect to (1) the accuracy of any records maintained by the Securities Depository or any Participant, (2) the payment to the Securities Depository, any Participant or any Beneficial Owner of any amounts in respect of the principal of or interest on the Bonds, (3) any notice which is permitted or required to be given to Holders of the Bonds under this Ordinance, or (4) any consent given or other action taken by the Securities Depository as such Holder. The County shall pay all principal of and interest on the Bonds only to the Securities Depository (or the Nominee), and all such payments and discharge the County's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. Except as provided in paragraph (iii) below, no person other than the Securities Depository shall receive an authenticated Bond certificate. Upon delivery by the Securities Depository to the County of written notice to the effect that the Securities Depository has determined to substitute a new Nominee in place of Cede & Co., the Bonds shall be transferable to such new Nominee in accordance with the provisions of this Ordinance.

(iii) In the event the County determines that it is in the best interest of the County not to continue the book-entry only system of transfer with respect to the Bonds, or that the interests of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued with respect to the Bonds, then the County may notify the Securities Depository of such determination, whereupon the Securities Depository will notify the participants of the availability through the Securities Depository of Bond certificates. In such event, the Registrar shall issue, transfer and exchange Bond certificates as requested by the Securities Depository and any Participant or Beneficial Owner in appropriate amounts in accordance with this Ordinance. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law or the County may determine that the Securities Depository is incapable of discharging its duties as such and may so advise the Securities Depository. In either such event, the County shall either (A) establish its own book-entry only system, (B) locate another

Securities Depository, or (C) deliver Bond certificates as provided herein and as requested by any Participant or Beneficial Owner.

(iv) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payment with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the Representations Letter.

(v) In connection with any notice or other communications to be provided to the Holders of Bonds pursuant to this Ordinance by the County with respect to any consent or other action to be taken by the Holders of Bonds, the County shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Such early notice to DTC shall be given when DTC is the Securities Depository.

Section 3.21 Separate Series of Bonds.

At the discretion of the Supervisor/Chairman, upon advice from the Finance Director, (i) the not exceeding \$5,000,000 of Bonds authorized herein with respect to the Project may be sold and issued as a separate series of the Bonds.

ARTICLE IV

REDEMPTION OR PURCHASE OF BONDS

Section 4.01 Authorization of Redemption

(a) Optional Redemption. All Bonds maturing subsequent to April 1, 2011, shall be subject to redemption at any time at the option of the County, in whole or in part, but if in part in the order determined by the County, commencing April 1, 2010, at a Redemption Price equal to the par amount of the principal amount of the Bonds to be redeemed, together with accrued interest to the date fixed for redemption. Provided, however, that the Supervisor/Chairman is hereby authorized to make any such adjustment to the Redemption Price or the applicable date of redemption set forth in the preceding sentence as she, upon the advice of the Finance Director, shall determine prior to offering the Bonds for sale.

(b) Mandatory Redemption. In the event the Supervisor/Chairman, upon the advice of the Finance Director, shall determine that a portion of the Bonds shall be Term Bonds subject to mandatory sinking fund redemption prior to their stated maturity date:

(1) Such Term Bonds, to the extent not previously redeemed, shall be redeemed at a redemption price of one hundred percent (100%) of the applicable principal amount, plus interest accrued to the redemption date, on the applicable April 1.

(2) The amount of any such mandatory sinking fund redemptions shall be reduced to the extent Term Bonds of the applicable maturity have been purchased by the County or redeemed by the County pursuant to Section 4.01 above, in such manner as the County shall direct, or, absent such direction, on a pro rata basis.

(3) At its option, to be exercised on or before the 45th day next preceding any date set for scheduled mandatory redemption with respect to the Term Bonds, the County may (i) deliver to the Paying Agent for cancellation Term Bonds in any aggregate principal amount desired or (ii)

receive a credit in respect of its scheduled mandatory redemption payment obligation for any Term Bonds which prior to said date have been redeemed (otherwise than through a scheduled mandatory redemption) and cancelled by the Paying Agent and not theretofore applied as a credit against any scheduled mandatory redemption payment obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Paying Agent at 100% of the principal amount thereof against the obligation of the County on such scheduled mandatory redemption payment date; and the principal amount of such Term Bonds to be redeemed by operation of scheduled mandatory redemption shall be accordingly reduced.

(4) The County will on or before the 45th day next preceding each date set for scheduled mandatory redemption with respect to the Term Bonds, furnish to the Paying Agent a certificate indicating whether or not and to what extent the provisions of (i) and (ii) of the preceding paragraph are to be availed of with respect to such scheduled mandatory redemption and confirm that monies equal to the balance of such redemption payment will be paid on or before the next succeeding date set for scheduled mandatory redemption.

Section 4.02 County's Election to Redeem

In the event that the County shall, in accordance with the provisions of Section 4.01, elect to redeem Bonds, it shall give notice by County Request to the Registrar and Paying Agent of each optional redemption. Each County Request shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

Section 4.03 Notice of Redemption

(a) When any Bonds are to be redeemed, the Registrar shall give notice of the redemption of the Bonds in the name of the County specifying (i) the Bonds and maturities to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Bonds Outstanding are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Registrar shall mail by registered mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the registered Holders of all Bonds or portions of Bonds which are to be redeemed at their addresses which appear upon the registration books, but failure to so mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of Bonds held by Holders to whom written notice has been mailed. The obligation of the Registrar to give the notice required by this Section 4.03 shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date.

(b) Notice of redemption having been given as provided in subsection (a) hereof, the Bonds or portions thereof so to be redeemed shall, on the date fixed for redemption, become due and payable at the Redemption Price specified therein plus accrued interest to the redemption date, and upon presentation and surrender thereof at the place specified in such notice, such Bonds or portions thereof shall be paid at the Redemption Price, plus accrued interest to the redemption date. On and after the redemption date (unless the County shall default in the payment of the Redemption Price and accrued interest), such Bonds shall cease to bear interest, and such Bonds shall no longer be considered as Outstanding hereunder. If money

sufficient to pay the Redemption Price and accrued interest has not been made available by the County to the Paying Agent on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne, had they not been called for redemption, until the same shall have been paid.

Section 4.04 Selection by Registrar of Bonds to be Redeemed

(a) If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected, not less than 45 days prior to the date fixed for redemption, by the Registrar by lot or in such other manner as the Registrar in its discretion may deem fair and appropriate; provided that the selection shall be in accordance with the rules of the Securities Depository.

(b) In making such selection, the Registrar shall treat each Bond to be redeemed as representing that number of Bonds of the lowest authorized denomination as is obtained by dividing the principal amount of such Bond by such denomination. If any Bond is to be redeemed in part, the portion to be so redeemed shall be in a principal amount of an authorized denomination.

(c) The Registrar shall promptly notify the County in writing of the Bonds so selected for redemption.

Section 4.05 Deposit of Redemption Price

On or before any date fixed for redemption of any Bonds, cash and/or a principal amount of non-callable Government Obligations maturing or redeemable at the option of the Holder thereof not later than the date fixed for redemption which, together with income to be earned on such Government Obligations prior to such date fixed for redemption, will be sufficient to provide cash to pay the Redemption Price of and accrued interest on all Bonds or portions thereof which are to be redeemed on such date, shall be deposited with the Paying Agent unless such amount shall have been previously deposited with the Paying Agent.

Section 4.06 Partial Redemption of Bonds

In the event part but not all of a Bond Outstanding shall be selected for redemption, upon presentation and surrender of such Bond by the Holder thereof or his attorney duly authorized in writing (with, if the County or the Paying Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the County and the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) to the Registrar, the County shall execute and the Registrar shall authenticate and deliver to or upon the order of such Holder, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of any authorized denomination of like tenor. Bonds so presented and surrendered shall be cancelled in accordance with Section 3.13 hereof.

Section 4.07 Purchases of Bonds Outstanding

Purchases of Bonds Outstanding may also be made by the County at any time with money available to it from any source. Upon any such purchase the County shall deliver such Bonds to the Registrar for cancellation.

ARTICLE V

SALE OF BONDS

Section 5.01 Determination of Time to Receive Bids – Form of Notice of Sale

The Bonds shall be sold at public sale, at a price of not less than par and accrued interest to the date of delivery. Bids shall be received until noon (local time) on a date to be selected by the Supervisor/Chairman. The form of the Official Notice of Sale, and the conditions of sale, shall be substantially those set forth in Exhibit C attached hereto and made a part hereof. The said Bonds shall be advertised for sale in, at the discretion of the Supervisor/Chairman, *The Bond Buyer* or *The Greenville News*, or both, which advertisement(s) shall each appear at least once, not less than seven (7) days before the date set for said sale. The date of sale can be adjusted in accordance with Section 11-27-40 of the South Carolina Code. The form of the advertisement(s) may be an abbreviated form of the Official Notice of Sale as shown in Exhibit D attached hereto and made a part hereof.

Section 5.02 Award of Bonds

Upon the receipt of bids for the purchase of the Bonds, unless all bids are rejected, the Supervisor/Chairman shall award the Bonds to the bidder offering to purchase them at the lowest net interest cost to the County, as determined pursuant to Section 3.15 hereof. The Supervisor/Chairman is further authorized to name the Registrar and the Paying Agent for the Bonds, in accordance with Section 3.05 hereof.

ARTICLE VI

DISPOSITION OF PROCEEDS OF SALE OF BONDS

Section 6.01 Disposition of Bond Proceeds including Temporary Investments

The proceeds derived from the sale of the Bonds issued pursuant to this Ordinance shall be paid to the Treasurer of Oconee County, to be deposited in a Bond Account Fund for the County, and shall be expended and made use of by the County as follows:

- (a) any accrued interest shall be applied to the payment of the first installment of interest to become due on such Bonds;
- (b) any premium shall be applied to the payment of the first installment of principal of such Bonds;
- (c) the sums necessary to effect the refunding, defeasance and redemption of the Refunded Bonds shall be deposited immediately upon receipt in a special trust fund established pursuant to the provisions of the one or more Escrow Deposit Agreements described in Section 6.02 below;
- (d) the remaining proceeds shall be expended and made use of by the Council to defray the cost of issuing the Bonds and to defray costs of constructing and acquiring the Project. Pending the use of Bond proceeds, the same shall be invested and reinvested by the Treasurer of Oconee County in Authorized Investments. All earnings from such investments shall be applied, at

the direction of the Council, either (i) to defray the cost of the Project and if not required for this purpose, then (ii) to pay the first maturing installments of interest on the Bonds; and

(e) if any balance remains, it shall be held by the Treasurer of Oconee County in a special fund and used to effect the retirement of the Bonds authorized by this Ordinance;

provided, that neither the purchaser nor any Holder of the Bonds shall be liable for the proper application of the proceeds thereof.

ARTICLE VII

DEFEASANCE OF BONDS

Section 7.01 Discharge of Ordinance – Where and How Bonds are Deemed to have been Paid and Defeased

If all of the said Bonds issued pursuant to this Ordinance and all interest thereon shall have been paid and discharged, then the obligations of the County under this Ordinance and all other rights granted hereby shall cease and determine. The Bonds shall be deemed to have been paid and discharged within the meaning of this Article under each of the following circumstances, viz.:

(a) The Paying Agent shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installment and interest thereof; or

(b) If default in the payment of the principal of the Bonds or the interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent shall hold in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(c) If the County shall elect to provide for the payment of the Bonds prior to their stated maturities and shall have deposited with the Paying Agent in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with the Paying Agent at the same time, shall be sufficient to pay when due the Principal Installment or Redemption Price and interest, due and to become due on the Bonds on and prior to their maturity dates or redemption dates, as the case may be. In the event that the County shall elect to redeem Bonds prior to their stated maturities, the County shall proceed in the manner prescribed by Article IV hereof.

Neither the Government Obligations nor moneys deposited with the Paying Agent pursuant to this Section nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installment of, or Redemption Price and interest on, said Bonds; provided that any cash received from such principal or interest payments on Government Obligations deposited with the Paying Agent, if not then needed for such purpose, shall to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installment or Redemption Price and interest to become due on said Bonds on the redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the Principal Installment, or Redemption Price and interest, may be paid over to the County, as received by the Paying Agent, free and clear of any trust, lien or pledge.

In the event any of the Bonds have been issued in separate series as provided in Section 3.21 hereof, the provisions of this Section 7.01 shall be deemed to apply to each such series separately.

ARTICLE VIII

CONCERNING THE FIDUCIARIES

Section 8.01 Fiduciary Appointment and Acceptance of Duties

The financial institution or institutions chosen pursuant to Section 3.05 hereof to act initially as Paying Agent and Registrar hereunder shall accept the duties and trusts imposed upon it by this Ordinance and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this Article VIII. Similarly, each financial institution appointed as a successor Registrar or as a successor Paying Agent shall signify its acceptance of the duties and trusts imposed by this Ordinance by a written acceptance.

Section 8.02 Responsibilities of Fiduciaries

The recitals of fact herein and in the Bonds shall be taken as the statements of the County and no Fiduciary assumes any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary makes any representations as to the validity or sufficiency of this Ordinance or of any Bonds or as to the security afforded by this Ordinance, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Section 8.03 Evidence on Which Fiduciaries May Act

(a) Each Fiduciary, upon receipt of any notice, resolution, request, consent order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Ordinance, shall examine such instrument to determine whether it conforms to the requirements of this Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the County, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Ordinance in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter to be proved or established prior to taking or suffering any action under this Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Ordinance upon the faith thereof, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Ordinance any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the County to any Fiduciary shall be sufficiently executed if executed in the name of the County by an Authorized Officer.

Section 8.04 Compensation

The County shall pay to each Fiduciary from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under this Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Ordinance. Subject to the provisions of Section 8.02 hereof and to the extent permitted by law, the County further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to its negligence or willful misconduct; provided, however, that any specific agreement between the County and a Fiduciary with respect to the compensation of such Fiduciary shall control the compensation to be paid to such Fiduciary.

Section 8.05 Certain Permitted Acts

Any Fiduciary may become the owner or underwriter of any Bonds, notes or other obligations of the County or conduct any banking activities with respect to the County, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or directors to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance.

Section 8.06 Resignation of Any Fiduciary

Any Fiduciary may at any time resign and be discharged of the duties and obligations created by this Ordinance by giving not less than 60 days written notice to the County and not less than 30 days written notice to the Holders of the Bonds as established by the books of registration prior to the next succeeding Bond Payment Date and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the County pursuant to Section 8.08 hereof in which event such resignation shall take effect immediately on the appointment of such successor. In no event, however, shall such a resignation take effect until a successor has been appointed.

Section 8.07 Removal of Fiduciary

Any Fiduciary may be removed at any time by an instrument or concurrent instruments in writing, filed with the County and such Fiduciary, and signed by the Bondholders representing a majority in principal amount of the applicable series of Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the County or by the County so long as no payment default has occurred with respect to the Bonds.

Section 8.08 Appointment of Successor Fiduciaries

In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the County. Every such Fiduciary appointed pursuant to the provisions of this Section shall be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, within or outside the State of South Carolina, having a stockholders' equity of not less than \$100,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable and customary terms.

If in a proper case no appointment of a successor Fiduciary shall be made by the County pursuant to the foregoing provisions of this Section within 45 days after any Fiduciary shall have given to the County written notice as provided in Section 8.06 hereof or after a vacancy in the office of such Fiduciary shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Boardholder may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Section 8.09 Transfer of Rights and Property to Successor

Any successor Fiduciary appointed under this Ordinance shall execute, acknowledge and deliver to its predecessor, and also to the County, an instrument accepting such appointment. Thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity. The Fiduciary ceasing to act shall nevertheless, however, on the written request of the County, or of the successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Fiduciary in and to any property held by it under this Ordinance, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the County be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the County. Any such successor Fiduciary shall promptly notify other fiduciaries and depositaries, if any, of its appointment as Fiduciary.

Section 8.10 Merger or Consolidation

Any company into which any Fiduciary may be merged or converted or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which any Fiduciary may be party, or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Ordinance, shall with the consent of the County be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section 8.11 Adoption of Authentication

In case any of the Bonds contemplated to be issued under this Ordinance shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and may deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

ARTICLE IX

CERTAIN TAX CONSIDERATIONS

Section 9.01 General Tax Covenant

The County will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bonds, including without limitation, the requirement to file the information report with the Internal Revenue Service. In this connection, the County covenants to execute any and all agreements or other documentation as it may be advised by bond counsel will enable it to comply with this Section, including its certification on reasonable grounds that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 9.02 Tax Representations

The County hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of Bonds. Without limiting the generality of the foregoing, the County represents and covenants that:

(a) All property provided by the net proceeds of the Bonds will be owned by the County in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The County shall not permit the proceeds of the Bonds or any facility financed with the proceeds of the Bonds to be used in any manner that would result in (a) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any natural person or in any activity carried on by a person other than a natural person other than a governmental unit as provided in Section 141(b) of the Code, or (b) five percent (5%) or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The County is not a party to, nor will the County enter into, any contracts with any person for the use or management of any facility provided with the proceeds of the Bonds that do not conform to the guidelines set forth in Revenue Procedure 97-13.

(d) The County will not sell or lease any property provided by the Bonds to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of the Bonds.

(e) The Bonds will not be federally guaranteed within the meaning of Section 149(b) of the Code. The County will not enter into any leases or sales or service contracts with respect to any facility provided with the proceeds of the Bonds with any federal government agency unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Bonds.

Section 9.03 Rebate

1. In addition to the covenants contained in Sections 9.01 and 9.02 hereof, the County covenants that:

(a) It will comply with the provisions of Section 148(f) of the Code and applicable Treasury Regulations pertaining to the rebate of certain investment earnings on the proceeds of the Bonds to the United States Government. In this connection, the County covenants to compute, on or before the dates required of it in Section 148(f) of the Code and the applicable Treasury Regulations, the rebateable amounts, if any, pertaining to the Bonds and to pay to the United States Government in a timely fashion all amounts required to be so paid under said Section 148(f) and applicable Treasury Regulations with respect to the Bonds. In this respect, the County will pay to the United States Government in the manner described in subparagraph (b) below an amount equal to the sum of:

(i) the excess of:

a. The amount earned on all non-purpose investments (as defined in the Treasury Regulations) with respect to the Bonds over

b. The amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield (as defined in the Treasury Regulations) on the Bonds, plus

(ii) any income attributable to such excess.

(b) Such payments shall be made to the United States Government at the address prescribed in Section 148(f) of the Code and applicable Treasury Regulations, as follows:

(i) Not less frequently than once each five (5) years after the date of issuance of the Bonds, an amount such that, together with prior amounts paid to the United States Government, the total paid to the United States Government is equal to ninety percent (90%) of the amount due as of the date of such payments, and

(ii) Not later than sixty (60) days after the date on which all of the Bonds have been paid in full, all of the amount due as of the date of payment.

2. In connection with the above, the Supervisor/Chairman is hereby authorized to make the necessary findings and elections to enable the County to elect to proceed with any spenddown exemptions in rebate as may be permitted under said Section 148(f) and applicable Treasury Regulations as she shall determine in her discretion to be in the best interests of the County.

ARTICLE X

AMENDING AND SUPPLEMENTING OF ORDINANCE

Section 10.01 Amending and Supplementing of Ordinance Without Consent of Holders of Bonds

(a) The County Council, from time to time and at any time and without the consent or concurrence of any holder of any Bond, may enact an ordinance amendatory hereto or supplemental thereto, if the provisions of such supplemental ordinance shall not materially adversely affect the rights of the holders of the Bonds then outstanding, for any one or more of the following purposes:

1. To make any changes or corrections in this Ordinance as to which the County Council shall have been advised by counsel that the same are verbal corrections or changes or are

required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or omission or mistake or manifest error contained in this Ordinance, or to insert in this Ordinance such provisions clarifying matters or questions arising under this Ordinance as are necessary or desirable;

2. To add additional covenants and agreements of the County for the purpose of further securing the payment of the Bonds;

3. To surrender any right, power or privilege reserved to or conferred upon the County by the terms of this Ordinance;

4. To grant or confer upon the bondholders any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them; or

5. To make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States or otherwise as may be necessary to assure the exclusion from gross income of interest on the Bonds for purposes of federal income taxation.

(b) The County shall not enact any supplemental ordinance authorized by the foregoing provisions of this Section (unless in the opinion of counsel (which opinion may be combined with the opinion required by Section 7.4 hereof) the enactment of such supplemental ordinance is permitted by the foregoing provisions of this Section and the provisions of such supplemental ordinance do not adversely affect the rights of the holders of the Bonds then outstanding).

Section 10.02 Amending and Supplementing of Ordinance With Consent of Holders of Bonds

(a) With the consent of the holders of not less than a majority in principal amount of the Bonds then outstanding the County Council from time to time and at any time may enact an ordinance amendatory hereof or supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Ordinance, or modifying or amending the rights and obligations of the County under this Ordinance, or modifying or amending in any manner the rights of the holders of the Bonds then outstanding, provided, however, that, without the specific consent of the holder of each such Bond which would be affected thereby, no supplemental ordinance amending or supplementing the provisions hereof shall: (i) change the fixed maturity date of any Bond or the dates for the payment of interest thereon or the terms of the redemption thereof, or reduce the principal amount of any Bond or the rate of interest thereon or the redemption price (or the redemption premium) payable upon the redemption or prepayment thereof; (ii) reduce the aforesaid percentage of Bonds, the holders of which are required to consent to any supplemental ordinance amending or supplementing the provisions of this Ordinance; or (iii) give to any Bond or Bonds any preference over any other Bond or Bonds secured hereby. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the holders of the Bonds of the enactment of any supplemental ordinance authorized by the provisions of Section 1 of this Article.

(b) It shall not be necessary that the consents of the holders of the Bonds approve the particular form of wording of the proposed amendment or supplement or of the supplemental ordinance affecting such amending or supplementing hereof pursuant to this Section. The County shall mail a notice at least once, not more than thirty (30) days after the effective date of such amendment or supplement of such amendment or supplement (postage prepaid, to each holder of Bonds then outstanding at his address, if any, appearing upon the Books of Registry and to the Paying Agent, but failure to mail copies of such notice to any of the holders shall not affect the validity of the supplemental ordinance effecting such amendments or supplements or the

consents thereto. Nothing in this paragraph contained, however, shall be construed as requiring the giving of notice of any amendment or supplement of this Ordinance authorized by Section 1 of this Article. No action or proceeding to set aside or invalidate such supplemental ordinance or any of the proceedings for its enactment shall be instituted or maintained unless such action or proceeding is commenced within sixty (60) days after the mailing of the notice required by this paragraph.

Section 10.03 Notation Upon Bonds; New Bonds Issued Upon Amendments.

Bonds delivered after the effective date of any action taken as provided in this Article may bear a notation as to such action, by endorsement or otherwise and in form approved by the County. In that case, upon demand of the holder of any Bond outstanding after such effective date and upon the presentation of the Bond for such purpose at the office of the Paying Agent, and at such additional offices, if any, as the County may select and designate for that purpose, a suitable notation shall be made on such Bond. If the County shall so determine, new Bonds, so modified as in the opinion of the County upon the advice of counsel to conform to the amendments or supplements made pursuant to this Article, shall be prepared, executed, and delivered, and upon demand of the holder of any Bond then outstanding shall be exchanged without cost to such holder for Bonds then outstanding, upon surrender of such outstanding Bonds.

Section 10.04 Effectiveness of Supplemental Ordinance.

Upon the enactment (pursuant to this Article and applicable law) by the County Council of any supplemental ordinance amending or supplementing the provisions of this Ordinance and the delivery to the Paying Agent and the County Council of an opinion of bond counsel that such supplemental ordinance is in due form and has been duly enacted in accordance with the provisions hereof and applicable law and that the provisions thereof are valid and binding upon the County, or upon such later date as may be specified in such supplemental ordinance, (a) this Ordinance and the Bonds shall be modified and amended in accordance with such supplemental ordinance, (b) the respective rights, limitations of rights, obligations, duties, and immunities under this Ordinance of the County, the Fiscal Agents, and the holders of the Bonds shall thereafter be determined, exercised, and enforced under this Ordinance subject in all respects to such modifications and amendments, and (c) all of the terms and conditions of any such supplemental ordinance shall be a part of the terms and conditions of the Bonds and of this Ordinance for any and all purposes.

Section 10.05 Supplemental Ordinance Affecting Fiscal Agents.

No supplemental ordinance changing, amending or modifying any of the rights, duties and obligations of any Fiscal Agent appointed by or pursuant to the provisions of this Ordinance may be enacted by the County Council or be consented to by the holders of the Bonds without written consent of such Fiscal Agent affected thereby.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Failure to Present Bonds

Anything in this Ordinance to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, that the Holder thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request

of the County, pay such money to the County as its absolute property free from trust. The Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the County for the payment of such Bonds. Provided, however, the Paying Agent shall forward to the County all moneys which remain unclaimed during a period five (5) years from a Bond Payment Date, and further provided, however, that before being required to make any such payment to the County, the Paying Agent, at the expense of the County, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate the Holders of those who would take if the Holder shall have died.

Section 11.02 Severability of Invalid Provisions

If any one or more of the covenants or agreements provided in this Ordinance should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Ordinance.

Section 11.03 Successors

Whenever in this Ordinance the County is named or referred to, it shall be deemed to include any entity, which may succeed to the principal functions and powers of the County; and all the covenants and agreements contained in this Ordinance by or on behalf of the County shall bind and inure to the benefit of said successor whether so expressed or not.

Section 11.04 Ordinance to Constitute Contract

In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Ordinance shall be deemed to be and shall constitute a contract between the County and the Holders from time to time of the Bonds. Such provisions are covenants and agreements with such Holders which the County hereby determines to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants, and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection, and security of the Holders of any and all of the Bonds, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other Bonds.

Section 11.05 Filing of Copies of Ordinance

Copies of this Ordinance shall be filed in the offices of the Council, the office of the Clerk of Court for Oconee County (as a part of the Transcript of Proceedings) and at the offices of the Paying Agent and Registrar.

Section 11.06 Further Action by Officers of County

The proper officers of the County are fully authorized and empowered to take the actions required to implement the provisions of this Ordinance and to furnish such certificates and other proofs as may be required of them, which include but are not limited to providing the notice and conducting the public hearing described in Section 1.04 hereof.

Section 11.07 Continuing Disclosure

(a) Pursuant to Section 11-1-85 of the Code of Laws of South Carolina (1976, as amended), the County covenants to file with a central repository for availability in the secondary bond market when requested:

- (1) An annual independent audit, within thirty days of the County's receipt of the audit; and
- (2) Event specific information within thirty days of an event adversely affecting more than five percent of revenue or the County's tax base.

The only remedy for failure by the County to comply with the covenant in this Section 11.07(a) shall be an action for specific performance of this covenant. The County specifically reserves the right to amend this covenant to reflect any change in (including any repeal of) Section 11-1-85, without the consent of any Bondholder.

(b) In addition, the County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Ordinance, failure of the County to comply with the Continuing Disclosure Undertaking shall not be considered an event of default; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this paragraph. The Continuing Disclosure Undertaking shall be executed by an Authorized Officer (which, for these purposes, shall include the County _____) prior to the delivery of the Bonds and shall be in such form as is set forth in Exhibit E herein, together with such modifications and amendments thereto as shall be deemed necessary by such Authorized Officer, upon advice of counsel. The execution of the Continuing Disclosure Certificate shall constitute conclusive evidence of the approval by the person executing the same of any and all modifications and amendments thereto.

Section 11.08 Effective Date of this Ordinance

This Bond Ordinance shall take effect upon its third reading and shall be forthwith codified in the Code of County Ordinances and indexed under the general heading "Bond Issue - Not Exceeding \$ _____ General Obligation Bonds, Series 2002, of Oconee County, South Carolina."

[Remainder of page intentionally left blank]

DONE in meeting duly assembled, this 18th day of June, 2002.

Supervisor/Chairman, County Council, Oconee
County

(SEAL)

Attest:

Clerk, Oconee County Council

First reading:	May 21, 2002
Second reading:	June 4, 2002
Third reading:	June 18, 2002
Public hearing:	June 18, 2002

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Oconee County Council, will conduct a public hearing on the proposed adoption of an Ordinance entitled "TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING FIVE MILLION DOLLARS (\$5,000,000) OCONEE COUNTY, SOUTH CAROLINA GENERAL OBLIGATION BONDS, SERIES 2002; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO" on June 18, 2002 in the Chambers of County Council, 415 South Pine Street, Walhalla, South Carolina, at 3:00 p.m. The Bonds will be used to defray the cost of a portion of phase one of the Law Enforcement Center.

For the payment of the principal of and interest on the bonds authorized by said Ordinance, there shall be pledged the full faith, credit and taxing power of Oconee County and there shall be levied ad valorem taxes sufficient in amount to pay said principal and interest on the bonds.

At the time and place fixed for said public hearing all taxpayers, residents or other interested persons who appear will be given an opportunity to express their views for or against the adoption of the Ordinance.

Opal O. Green
Clerk to County Council, Oconee County,
South Carolina

(FORM OF BOND)

UNITED STATES OF AMERICA
 STATE OF SOUTH CAROLINA
 COUNTY OF GREENVILLE
 GENERAL OBLIGATION BOND
 SERIES 2002

No. _____

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
	April 1, _____	_____, 2002	

Registered Holder: _____

Principal Amount: _____ DOLLARS (\$ _____)

OCONEE COUNTY, SOUTH CAROLINA (the "County") acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Holder (named above) or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at the Corporate Trust Office of _____ in the City of _____, State of _____ (the "Paying Agent"), and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve 30-day months), until the obligation of the County with respect to the payment of such Principal Amount shall be discharged.

This Bond bears interest from the original issue date if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of this Bond's authentication. Interest on this Bond is payable on April 1 and October 1 of each year beginning April 1, 2003, at which time interest for _____ (_____) months will be due. The interest so payable on any April 1 or October 1 shall be payable to the person in whose name this Bond is registered at the close of business on the 15th day of the April or on the 15th day of the October next preceding such April 1 or October 1.

The principal of all Bonds shall be payable at maturity at the Corporate Trust Office of the Paying Agent and payment of the interest on each Bond shall be made on each Bond Payment Date by the Paying Agent. Interest hereon shall be payable by check or draft mailed at the times provided in the Ordinance (as defined below) from the office of the Paying Agent to the person in whose name this Bond is registered on the applicable Record Date at the address shown on the registration books. The principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; provided, however, that payment of the interest on this Bond shall be effected by check or draft as set forth above.

This Bond is one of an issue of Bonds in the aggregate principal amount of Five Million Dollars (\$5,000,000) of like tenor, except as to number, rate of interest, date of maturity and redemption provisions and issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina, including particularly the provisions of Chapter 15 of Title 4, and Chapters 15 and 21 of Title 11, as supplemented by Section 11-27-40, of the Code of Laws of South Carolina 1976, as amended (collectively, the "Enabling Act"), and an Ordinance duly adopted by the County Council of the County (the

"Ordinance"). Proceeds of the Bonds are being used by the County to finance phase one of the Law Enforcement Center.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Registrar, in the office of the Paying Agent and in the office of the Clerk of Court of Oconee County, South Carolina.

For the prompt payment thereof, both principal and interest, as the same shall become due, the full faith, credit and taxing power of the County are irrevocably pledged.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes. The Bonds are issuable only as fully registered Bonds without coupons in the denomination of \$5,000 or any multiple thereof not exceeding the principal amount of the Bonds maturing in each year.

This Bond is transferable, as provided in the Ordinance, only upon the registration books kept for that purpose at the Corporate Trust Office of the Registrar by the Registered Holder in person or by his duly authorized attorney, upon (i) surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney and (ii) payment of the charges, if any, prescribed in the Ordinance. Thereupon a new fully registered Bond or Bonds of like maturity, interest rate and redemption provisions and in a like aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County, the Paying Agent and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or Redemption Price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of the Bonds, the County, the Paying Agent, or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

So long as Cede & Co., as nominee of Depository Trust Company ("DTC") is the Registered Owner of the Bonds, references in this Bond to the Bondholders or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners.

The County, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purpose of the payment of the principal of or interest or premium, if any, on the Bonds, giving any notice permitted or required to be given to Bondholders under the Ordinance, registering the transfer of Bonds, obtaining any consent or action to be taken by Bondholders and for all other purposes whatsoever; and shall not be affected by any notice to the contrary. The County, the Registrar and the Paying Agent shall not have any responsibility or obligation to any direct participant, any person claiming a beneficial ownership in the Bonds under or through DTC or any Direct Participant or any other person which is not shown on the Registration Books of the County (kept by the Registrar) as being a Bondholder with respect to: the accuracy of any records maintained by DTC or any Direct Participant; the payment by DTC or any Direct Participant of any amount in respect of the principal of or interest or premium, if any, on the Bonds; any notice which is permitted or required to be given to Bondholders hereunder or under the conditions for transfers or exchanges adopted by the County; or any consent given or other action taken by DTC as a Bondholder.

All Bonds maturing subsequent to April 1, 20__ shall be subject to redemption at any time at the option of the County, in whole or in part, but if in part in the order determined by the County, commencing April 1, 20__ and thereafter at a Redemption Price equal to the par amount of the principal amount of the Bonds to be redeemed together with accrued interest to the date of redemption.

In the event that the County shall, in accordance with the provisions of Section 4.01 of the Ordinance, elect to redeem Bonds, it shall give notice by County Request to the Registrar and Paying Agent of each optional redemption. Each County Request shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

[The Bonds maturing on _____ 1, _____, shall be subject to mandatory sinking fund redemption (to the extent not previously redeemed) at a redemption price of one hundred percent (100%) of such principal amount, plus interest accrued to the redemption date, on _____ 1 of each of the following years, in the respective principal amounts for each year specified below:

<u>Year</u>	<u>Amount</u>
-------------	---------------

***Final Maturity**

The amount of any mandatory sinking fund redemptions shall be reduced to the extent Bonds of the applicable maturity have been purchased by the County or redeemed by the County pursuant to any optional redemption provisions, in such manner as the County shall direct, or, absent such direction, on a pro rata basis.]

If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected not less than 45 days prior to the date fixed for redemption by the Registrar by lot. Bonds in a denomination of more than \$5,000 may be redeemed in part from time to time in one or more units of \$5,000 in the manner provided in the Ordinance.

In the event that any Bonds are to be called for redemption as aforesaid, the Paying Agent shall give notice of the redemption of the Bonds in the name of the County specifying (i) the principal amount and the maturities of the Bonds to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Outstanding Bonds are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Paying Agent shall mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the Registered Holders of any Bonds or portions of Bonds which are to be redeemed at their last addresses appearing upon the registration books, but failure to so mail any such notice to any one of such Registered Holders shall not affect the redemption of those registered Bonds to whose Registered Holders such notice was mailed.

On the specified redemption date (unless the County shall default in the payment of the Redemption Price and accrued interest), all Bonds so called for redemption shall cease to bear interest, shall no longer be secured by the Ordinance and shall no longer be considered as Outstanding.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limit prescribed by such Constitution or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on this Bond and the issue of Bonds of which this Bond is one.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, Oconee County, South Carolina has caused this Bond to be signed in its name by the manual or facsimile signature of the Chairman of County Council and the Supervisor/Chairman of Oconee County, South Carolina, and its corporate seal to be hereunto reproduced and attested to by the manual or facsimile signature of the Clerk of the Oconee County Council.

(SEAL)

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Supervisor/Chairman, County Council

By: _____
[]

Attest:

Clerk, Oconee County Council

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

REGISTRAR

By: _____
Authorized Officer

Date:

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____ (please print or type name and address of Transferee and Social Security or other identifying number of Transferee) the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program enlargement.

Authorized Individual or Officer

NOTICE: The signature to the assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

OFFICIAL NOTICE OF SALE
\$5,000,000
GENERAL OBLIGATION BONDS, SERIES 2002
OF OCONEE COUNTY
STATE OF SOUTH CAROLINA

Notice is hereby given that sealed bids will be received by Oconee County, South Carolina (the "County"), for the purchase of all, but not a part, of the County's \$5,000,000 General Obligation Bonds, Series 2002 (the "Bonds"), as more fully described herein. The bids will be received at the place and until the time specified below (unless postponed as described herein):

Time: July 16, 2002
12:00 Noon

Place: Oconee County Council Chambers
County Square
301 University Ridge
Greenville, South Carolina 29601

Delivery of Bids:

Proposals may be delivered by hand or by mail or by facsimile or electronic transmission, but no proposal shall be considered which is not actually received by the County at the place, date and time appointed, and the County shall not be responsible for any failure, misdirection, delay or error resulting from the selection by any bidder of any particular means of delivery of bids. The County will take reasonable steps to ensure the confidentiality of all bids transmitted to it by facsimile transmission, but cannot guarantee the confidentiality of all bids transmitted by such means.

Mailed Bids: All mailed bids should be enclosed in a sealed envelope marked on the outside "Proposal for Series 2002 General Obligation Bonds" addressed to:

Oconee County Department of Finance
415 South Pine Street
Walhalla, South Carolina 29694
Attention: Phyllis E. Lombard
Telephone: (864) 638-4235

Bids Sent by Hand Delivery: Hand delivery of bids will be accepted at the address set forth above.

Bids Sent by Facsimile: Bids may be sent by facsimile received at (864) 718-1022. Bids sent by facsimile transmission will be considered timely only if transmission and printing are complete by 12:00 Noon, EST, on July 16, 2002. (Please be advised that there is a single fax machine connected to the number provided above. It is highly recommended that bidders call the County to confirm receipt of a bid sent via facsimile.)

Bids Sent By Electronic Delivery: Notice is hereby given that electronic proposals will be received via *PARITY*SM, in the manner described below, until 12:00 Noon, local time, on July 16, 2002. Bids may be submitted electronically via *PARITY*SM pursuant to this Notice until 12:00 Noon, local time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in *PARITY*SM conflict with this Notice, the terms of this Notice shall control. For further information about *PARITY*SM, potential bidders may contact Bond Counsel - Kathleen Crum McKenney, Haysworth Sinkler Boyd, P.A., 75 Beattie Place - 11th Floor, Greenville, South Carolina 29601, telephone (864) 240-3243 or e-Deal at 395 Hudson Street, New York, New York 10014, telephone (312) 807-2800.

Either the Supervisor/Chairman or her designee will publicly open and read the bids at the time, place and date set forth above. Unless all bids are rejected, the Bonds will be awarded to the bidder offering the lowest net interest cost to the County.

Bonds: The Bonds will be issued under the DTC Book-Entry Only System. The Bonds will be dated as of _____, 2002, will be in denominations of \$5,000 each or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year, and will mature serially in successive annual installments on April 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2004		2012	
2005		2013	
2006		2014	
2007		2015	
2008		2016	
2009		2017	
2010		2018	
2011			

(not to exceed April 1, 2023)

The Bonds will bear interest from the date thereof payable April 1, 2003 and semiannually on April 1 and October 1 of each year thereafter.

Qualified Bond: The Bonds are not designated as "qualified tax-exempt obligations" as defined in Section 265 of the Internal Revenue Code of 1986, as amended.

Project and Refunding: The proceeds of the Bonds will be used to finance phase one of the Law Enforcement Center (the "Project").

Security: The Bonds will constitute a binding general obligation of the County. For the payment of the principal and interest thereof, as they respectively mature, and to create such sinking fund to aid in the retirement and payment thereof, the full faith, credit and taxing power of the County will be irrevocably pledged, and there will be levied and collected annually upon all taxable property in the County an ad valorem tax, without limitation as to rate or amount, sufficient for such purposes.

Redemption Provisions: The Bonds maturing on or prior to April 1, 20__ are not subject to redemption prior to maturity. The Bonds maturing subsequent to April 1, 20__ shall be subject to redemption on and after April 1, 20__, at the option of the County, in whole or in part at any time, but if in part, in such maturities as designated by the County and by lot as to Bonds or portions of Bonds within a maturity (but only in integral multiples of \$5,000), at par together with accrued interest to the date fixed for redemption.

Registrar/Paying Agent: _____ has been designated as Registrar/Paying Agent.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% with no greater difference than two (2%) percent between the highest and lowest rates of interest named by a bidder. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. A bid for less than all the Bonds will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Bonds to the date of full payment of the purchase price. The Deputy Supervisor/Chairman for General Services reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 1:00 p.m., South Carolina time, on the date of the sale.

Resourcing Note: To provide the County with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Bonds from gross income

for federal income tax purposes, the successful bidder will be required to complete, execute, and deliver to the County, at the time that the Bonds are delivered, a "Certificate of Resetting Price." If the successful bidder will not resell the Bonds for sale or has not sold a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in the manner approved by the County. In no event will the County fail to deliver the Bonds as a result of the successful bidder's inability to certify actual sales of Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate by the date of the delivery of the Bonds if its bid is accepted by the County. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certifications with reasonable certainty.

Form of Bid; Sealed Envelopes. Each bid must be on the Official Bid Form. Every bid must be unconditional and irrevocable and must be enclosed in a sealed envelope addressed to Oconee County, Attention: Finance Director, or if by facsimile with a cover page and endorsed "Bid for \$5,000,000 General Obligation Bonds, Series 2002." Each bid must be accompanied by the applicable good faith check mentioned below or Financial Surety Bond described under "Good Faith Deposit" below. If a bid is submitted by facsimile or electronic transmission, the applicable good faith check or Financial Surety Bond may be sent under separate cover. Each bid must be in accordance with the terms and conditions set forth in this Official Notice of Sale.

Good Faith Deposit. A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a Financial Surety Bond in the amount of \$100,000, payable to the order of "Oconee County", shall be made by an insurance company licensed to issue such a surety bond in the State of South Carolina, and such surety bond must be submitted to the County prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser ("Purchaser") is required to submit its Deposit in the form of a cashier's check (or wire transfer such amount as instructed by the County) not later than 3:30 p.m., local time, on the next business day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn upon by the County to satisfy the Deposit requirement. No interest on the Deposit will accrue to the Purchaser, and the Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the County as liquidated damages.

Basis for Award. If satisfactory bids are received, the Bonds will be awarded to the lowest responsible bidder by the County not later than 24 hours after the time established for the receipt of bids. The lowest bidder shall be the bidder submitting the best price for the Bonds, which best price shall be that resulting in the lowest net interest cost to the County. For the purpose of determining lowest net interest cost, the aggregate of interest on all Bonds from the first day of the month in which the Bonds are delivered, which is the original issue date, until their respective maturities, less any sum named by way of premium, shall be determined on each bid and the smallest amount to be paid by the County shall reflect lowest net interest cost. In the event that two or more bidders have bid the same net interest cost, the award shall be made by lot. The determination by the County of the net interest cost of each bid and the County's award of the bid will be final.

CUSIP Numbers. CUSIP identification numbers and CUSIP Service Bureau charges for assignment of the numbers will be the responsibility of the successful bidder and should be provided to the County within five (5) days of being selected as the winning bidder, but any delay, error or omission with respect thereto shall not constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. The successful bidder shall also be responsible for securing DTIC eligibility.

Preliminary and Final Official Statements. The County has distributed an Official Statement in connection with the sale of the Bonds in preliminary form (the "Preliminary Official Statement"). The County, by accepting the bid of the successful bidder, (a) certifies to such successful bidder as of the date of acceptance of such bid that the Preliminary Official Statement furnished prior to the date of such acceptance has been "deemed final" as of its date by the County within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), although subject to revision, amendment and completion; and (b) agrees to provide such successful bidder, in order to permit such successful bidder to comply with Rule 15c2-12, with up to 50 printed copies of the final Official Statement approved by the County in relation to the sale by the County of the Bonds within the period of time allowed under Rule 15c2-12, at the sole cost and expense of the County, with any additional printed copies which such successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder. Such

successful bidder, by executing its bid, agrees to provide two copies of the final Official Statement to at least one "nationally recognized municipal securities information repository" within the meaning of Rule 15c2-12 (a "Repository") upon receipt of the final Official Statement from the County and two copies of the final Official Statement (with any required forms) to the Municipal Securities Rulemaking Board (the "MSRB") or its designee pursuant to MSRB Rule G-36 no later than ten (10) business days following the date of acceptance of its bid, and such successful bidder further agrees to comply with all other applicable provisions of Rule 15c2-12 and MSRB Rule G-36. Such successful bidder shall notify the County of (i) the date which is the "end of the underwriting period" within the meaning of Rule 15c2-12 and (ii) the date on which the final Official Statement is filed with a Repository. Copies of the Preliminary Official Statement may be obtained at the offices listed in this Official Notice of Sale under the caption "Additional Information."

In the Ordinance, the County has committed to provide certain annual information and notices of material events as required by Rule 15c2-12, as amended (the "Rule") as promulgated by the Securities and Exchange Commission (the "SEC") and as described in the Official Statement.

The successful bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, in form and substance reasonably satisfactory to the successful bidder, a copy of the Ordinance setting forth the continuing disclosure undertaking set forth above, which shall constitute a written agreement for the benefit of the holders of the Bonds as required by the Rule.

Blue Sky Laws: The County has not undertaken to register the Bonds under the securities laws of any state, nor has the County investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking or other laws. By submitting a bid for the Bonds, the Purchaser represents that the sale of the Bonds in states other than South Carolina will be made only under exemptions from registration or, wherever necessary, the Purchaser will register the Bonds in accordance with the securities laws of the state in which Bonds are offered or sold. The County agrees to cooperate with the Purchaser, at the Purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary, but shall not be required to consent to service of process in any such state.

Legal Opinion: The County shall furnish upon delivery of the Bonds the final approving opinion of Haynsworth Sinkler Boyd, P.A., Greenville, South Carolina, which opinion shall be attached to or printed on the back of each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

Delivery: The Bonds will be delivered on or about July 15, 2002, in New York, New York through the facilities of The Depository Trust Company, at the expense of the County. The balance of the purchase price then due (including the amount of accrued interest) must be paid in federal funds or other immediately available funds.

Postponement: The County reserves the right to postpone from time to time the date established for receipt of bids. The County will communicate any such change in the sale date through Munifacts News Service not less than 24 hours prior to the time bids are to be received. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced through Munifacts News Service at least 48 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a sealed bid for the purchase of the Bonds in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced through Munifacts News Service at the time the sale date and time are announced.

Continuing Disclosure: A description of the County's undertaking with respect to the Continuing Disclosure Undertaking is set forth in the Preliminary Official Statement.

Additional Information: For copies of the Preliminary Official Statement, Official Notice of Sale and the Official Bid Form, please contact Phyllis E. Lombard, Finance Director, George County, South Carolina, County Square, 433 South Pine Street, Walhalla, South Carolina 29669, telephone (864) 638-4335.

Phyllis E. Lombard
Finance Director for George County, South Carolina

Dated: _____, 2002

SUMMARY NOTICE OF SALE
\$5,000,000 GENERAL OBLIGATION BONDS, SERIES 2002
OF OCONEE COUNTY
STATE OF SOUTH CAROLINA

Notice is hereby given that sealed and electronic bids will be received by Oconee County, South Carolina (the "County"), for the purchase of all, but not a part, of the County's \$5,000,000 General Obligation Bonds, Series 2002 (the "Bonds"), as more fully described herein. The bids will be received at the place and until the time specified below (unless postponed as described herein):

- Time:** July 16, 2002
12:00 Noon
- Place:** Oconee County Council Chambers
415 South Pine Street
Walhalla, South Carolina 29691
- Mailed Bids:** All mailed bids should be enclosed in a sealed envelope marked on the outside "Proposal for Series 2002 General Obligation Bonds" addressed to:

Oconee County Finance Department
415 South Pine Street
Walhalla, South Carolina 29691
Attention: Phyllis E. Lombard
Telephone: (864) 638-4233
- Electronic Bids:** Notice is hereby given that electronic proposals will be received via *PARITY*[®], in the manner described below, until 12:00 Noon, local time, on July 16, 2002. Bids may be submitted electronically via *PARITY*[®] pursuant to this Notice until 12:00 Noon, local time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in *PARITY*[®] conflict with this Notice, the terms of this Notice shall control. For further information about *PARITY*[®], potential bidders may contact Bond Counsel - Kathleen Crum McKinney, Hayesworth Sinkler Boyd, P.A., 75 Beattie Place - 11th Floor, Greenville, South Carolina 29601, telephone (864) 340-3243 or i-Deal at 395 Hudson Street, New York, New York 10014, telephone (212) 807-3800.
- Bids Sent by Hand Delivery:** Hand delivery of bids will be accepted at the address set forth above.
- Bids Sent by Facsimile:** Bids may be sent by facsimile received at (864) 467-7049. Bids sent by facsimile transmission will be considered timely only if transmission and printing are complete by 12:00 Noon, EST, on July 16, 2002. (Please be advised that there is a single fax machine connected to the number provided above.)

Either the Supervisor/Chairman or her designee will publicly open and read the bids at the time, place and date set forth above. Unless all bids are rejected, the Bonds will be awarded to the bidder offering the lowest net interest cost to the County.

Bonds: The Bonds will be issued in fully registered form under the DTC Book-Entry Only System, will be dated _____, 2002; will be in denominations of \$5,000 each or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; and will mature serially in successive annual installments on April 1 to each of the years and in the principal amounts as follows:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>
2004		2012	
2005		2013	
2006		2014	
2007		2015	
2008		2016	
2009		2017	
2010		2018	
2011		(not to exceed April 1, 2023)	

The Bonds will bear interest from the date thereof payable April 1, 2003 and semiannually on April 1 and October 1 of each year thereafter. The Bonds will initially be issued in book-entry only form.

Optional Redemption of Bonds: The Bonds maturing on or prior to April 1, 20__ are not subject to redemption prior to maturity. The Bonds maturing subsequent to April 1, 20__ shall be subject to redemption on and after April 1, 20__ at the option of the County, in whole or in part at any time, but if in part, in such maturities as designated by the County and by lot as to Bonds or portions of Bonds within a maturity (but only in integral multiples of \$5,000), if put together, in each such case, with accrued interest to the date fixed for redemption.

Good Faith Check: Each proposal shall be accompanied by a certified check or cashier's check drawn upon an incorporated bank or trust company in the amount of \$100,000 payable unconditionally to Coconee County, or in lieu of the good faith check, a holder may use the SureBid System. The check of the successful bidder shall be applied as part payment for the Bonds or to secure the County (or any loss due to the failure of such bidder to comply with the terms of his bid). Checks of unsuccessful bidders will be returned promptly. No interest will be allowed on the good faith check.

Preliminary and Final Official Statements: The County has distributed an Official Statement in connection with the sale of the Bonds in preliminary form (the "Preliminary Official Statement"). The County, by accepting the bid of the successful bidder, (a) certifies to such successful bidder as of the date of acceptance of such bid that the Preliminary Official Statement furnished prior to the date of such acceptance has been "deemed final" as of its date by the County within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), although subject to revision, amendment and completion; and (b) agrees to provide such successful bidder, in order to permit such successful bidder to comply with Rule 15c2-12, with up to 50 printed copies of the final Official Statement approved by the County in relation to the sale by the County of the Bonds within the period of time allowed under Rule 15c2-12, at the sole cost and expense of the County, with any additional printed copies which such successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder. Such successful bidder, by executing its bid, agrees to provide two copies of the final Official Statement to at least one "nationally recognized municipal securities information repository" within the meaning of Rule 15c2-12 (a "Repository") upon receipt of the final Official Statement from the County and two copies of the final Official Statement (with any required forms) to the Municipal Securities Rulemaking Board (the "MSRB") or its designee pursuant to MSRB Rule G-36 no later than ten (10) business days following the date of acceptance of its bid, and such successful bidder further agrees to comply with all other applicable provisions of Rule 15c2-12 and MSRB Rule G-36. Such successful bidder shall notify the County of (i) the date which is the "end of the underwriting period" within the meaning of Rule 15c2-12 and (ii) the date on which the final Official Statement is filed with a Repository. Copies of the Preliminary Official Statement may be obtained at the offices listed in this Summary Notice of Sale under the caption "Additional Information".

Legal Opinion: The County shall furnish upon delivery of the Bonds the final approving opinion of Haynsworth Siskler Boyd, P.A., Greenville, South Carolina, which opinion shall be attached to or printed on the back of each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

Additional Information: For copies of the Preliminary Official Statement, Official Notice of Sale and the Official Bid Form, please contact Phyllis E. Lombard, Finance Director, Oconee County, South Carolina, 415 South Pine Street, Walhalla, South Carolina 29691, telephone (864) 638-4235.

By: Phyllis E. Lombard
Finance Director
Oconee County, South Carolina

June 18,

NOTICE

NOTICE IS HEREBY GIVEN that the County Council of Oconee County, South Carolina, on June 18, 2002, adopted an Ordinance entitled: "TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING FIVE MILLION DOLLARS (\$5,000,000) OCONEE COUNTY, SOUTH CAROLINA, GENERAL OBLIGATION BONDS, SERIES 2002; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO" (the "Ordinance") which authorized the issuance of not exceeding \$5,000,000 General Obligation Bonds (the "Bonds") of Oconee County, South Carolina (the "County"). The proceeds of the Bonds will be used for the purpose of defraying the cost of phase one of the Law Enforcement Center, which purpose will serve a public and corporate purpose of the County and benefit the general welfare of the County.

Unless a notice, signed by not less than five (5) qualified electors of the County, of the intention to seek a referendum is filed in the office of the Clerk of Court of Oconee County and the Clerk to the County Council in accordance with Section 11-27-40(5), Code of Laws of South Carolina 1976, as amended, the initiative and referendum provisions of South Carolina law contained in Section 5-17-20, Code of Laws of South Carolina 1976, as amended, shall not be applicable to the Ordinance. The notice of intention to seek a referendum must be filed within twenty (20) days following the publication of this notice.

s/ Ann H. Hughes
Supervisor/Chairman, Oconee County,
South Carolina

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking") is executed and delivered by Oconee County, South Carolina (the "Issuer") pursuant to Securities and Exchange Commission Rule 15c2-12 (the "Rule") and in connection with the issuance of \$5,000,000 General Obligation Bonds, Series 2002, of Oconee County, South Carolina (the "Bonds"). The Bonds are being issued pursuant to an Ordinance enacted June 18, 2002 (the "Ordinance"). The Issuer represents, covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean the Issuer or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Holders" or "Holders of the Bonds" shall mean the registered owners of the Bonds.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Undertaking.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in Schedule II and is subject to change.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of South Carolina.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule, and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Undertaking, there is no State Repository.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than seven (7) months after the end of the Issuer's fiscal year (currently, June 30) commencing with the report for the 2002 fiscal year, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) If the Issuer is unable to provide to the Repositories an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board and the State Repository, if any, in substantially the form attached as Schedule 1.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and the State Repository, if any; and

(ii) (if the Dissemination Agent is other than the Issuer) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the Issuer's complete audited financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement and the audited financial statements shall be filed in the same manner as the Annual Report when they become available, and the following:

1. Ad valorem property tax collections for the preceding fiscal year;
2. Assessed values of property for the preceding fiscal year;
3. Ten largest taxpayers for the preceding fiscal year; and
4. The Issuer's budget for the then current fiscal year.
5. The amount of any general obligation indebtedness incurred in the preceding fiscal year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer which have been submitted to each of the Repositories. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so incorporated by reference.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues of the Issuer or related public entities which have been submitted

to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5: Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give or cause to be given notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. principal and interest payment delinquencies;
2. non-payment related defaults;
3. modifications to rights of Bondholders;
4. optional, contingent or unscheduled bond calls;
5. defeasances;
6. rating changes;
7. adverse tax opinions or events affecting the tax-exempt status of the Bonds;
8. unscheduled draws on the debt service reserves reflecting financial difficulties;
9. unscheduled draws on the credit enhancements reflecting financial difficulties;
10. substitution of the credit or liquidity providers or their failure to perform;
11. release, substitution or sale of property securing repayment of the Bonds.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the Issuer determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly file a notice of such occurrence with the Municipal Securities Rulemaking Board and the State Repository. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Ordinance.

SECTION 6: Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

SECTION 7: Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Undertaking. The initial Dissemination Agent shall be the Issuer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) This Disclosure Undertaking, as amended or taking into account such waiver, would, in the opinion of nationally-recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of said nationally-recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

OCCONEE COUNTY, SOUTH CAROLINA

By _____
Supervisor/Chairman

Date: _____, 2002

SCHEDULE I

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

OCONEE COUNTY, SOUTH CAROLINA

\$ _____ GENERAL OBLIGATION BONDS, SERIES 2062

Date of Issuance: _____ 1, 2002

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds. The Issuer anticipates that the Annual Report will be filed by _____.

OCONEE COUNTY, SOUTH CAROLINA

By _____
Finance Director

Date: _____

SCHEDULE II

Nationally Recognized Municipal Securities Information Repositories approved by the Securities and Exchange Commission:

Bloomberg Municipal Repository

100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
Email: munis@bloomberg.com
<http://www.bloomberg.com>

Standard & Poor's J.J. Kenny Repository

55 Water Street, 45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmsir_repository@sandp.com
<http://www.jjkenny.com>

FT Interactive Data

Attn: NRMSIR
100 William Street
New York, NY 10038
Phone: (212) 771-6999
Fax: (212) 771-7390
E-mail: NRMSIR@FTID.com
<http://www.InteractiveData.com>

DFC DATA, INC.

One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
Email: nrmsir@dpedata.com
<http://www.dpcdata.com>

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

I, the undersigned, Clerk of the Oconee County Council, DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given three readings on three separate days, with an interval of not less than seven days between the second and third readings. The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the County Council, in my custody as such Clerk.

That each of said meetings was duly called, and all members of the County Council were notified of the same; that all a majority of the membership were notified of each meeting and remained throughout the proceedings incident to the adoption of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand this ____ day of June, 2002.

Clerk, Oconee County Council

First reading:	May 21, 2002
Second reading:	June 4, 2002
Third reading:	June 18, 2002
Public hearing:	June 18, 2002



U.S. Department of Justice

Civil Rights Division

GDR:MJP:ALP:jch
DJ 166-012-3
2002-2073

Voting Section - NPB
250 Pennsylvania Avenue, N.W.
Washington, DC 20530

May 8, 2002

Mr. Robert O. Brock
Chairperson, Election and Registration Commission
419 South Pine Street
Walhalla, South Carolina 29991

Bradley A. Norton, Esq.
County Attorney
P.O. Box 698
Seneca, South Carolina 29679-0698

Dear Messrs. Brock and Norton:

This refers to the 2002 redistricting plan for Oconee County, South Carolina, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973b. We received your submission on April 1, 2002.

The Attorney General does not interpose any objection to the specified change. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the change. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.41).

Sincerely,

Joseph D. Rich
Chief, Voting Section

Oconee County Planning Commission

415 S. Pine St. • Walhalla, South Carolina 29691

Phone (864) 633-4213 • Fax (864) 633-4168



MEMORANDUM 13-02

TO: CLERK TO COUNCIL

FROM: PLANNING COMMISSION *[Signature]*

SUBJECT: Sexually Oriented Business Operations Ordinance

DATE: May 14, 2002

Please find attached, an ordinance providing for the regulation of sexually oriented businesses and employees. During their meeting of May 13, 2002, the Oconee County Planning commission voted to refer the ordinance to County Council for consideration. Thank you for your assistance.

Co: County Attorney

**OCONEE COUNTY COUNCIL
ORDINANCE 2002-**

**AN ORDINANCE PROVIDING FOR THE REGULATION OF SEXUALLY
ORIENTED BUSINESSES AND EMPLOYEES.**

WHEREAS, sexually oriented businesses require special supervision from the public safety agencies of the County in order to protect and preserve the health, safety, morals and welfare of the patrons of such businesses as well as the citizens of the County; and

WHEREAS, the County Council finds that sexually oriented businesses are frequently used for unlawful sexual activities, including prostitution and sexual liaisons of a casual nature; and

WHEREAS, the concern over sexually transmitted diseases is a legitimate health concern of the County which demands reasonable regulation of sexually oriented businesses in order to protect the health and well-being of the citizens; and

WHEREAS, conduct regulations are a legitimate and reasonable means of accountability to ensure that operators of sexually oriented businesses comply with reasonable regulations and to ensure that operators do not knowingly allow their establishments to be used as places of illegal sexual activity or solicitation; and

WHEREAS, there is convincing documented evidence that sexually oriented businesses, because of their very nature, have a deleterious effect on both the existing businesses around them and the surrounding residential areas adjacent to them, causing increased crime and other adverse effects; and

WHEREAS, it is recognized that sexually oriented businesses, due to their nature, have serious objectionable operational characteristics, particularly when they are located in close proximity to each other, thereby contributing to urban blight and downgrading the quality of life in the adjacent area; and

WHEREAS, underage performers have been used in depictions, both in films and in live performances characterized by an emphasis on specified anatomical areas; and

WHEREAS, the County Council desires to minimize and control these adverse effects and thereby protect the health, safety, and welfare of the citizenry; protect the citizens from increased crime; preserve the quality of life; preserve the property values and character of surrounding neighborhoods and deter the spread of urban blight; and

WHEREAS, the County Council has determined that locational criteria alone do not adequately protect the health, safety, and general welfare of the people of this County; and

409 U.S. 739 (1972); *County of Erie v. Pap's A.M.*, 529 U.S. 277 (2000); *Alino Enters. v. Baltimore County*, 2001 U.S. App. LEXIS 11522 (4th Cir. 2001); *Stealthouse Inc. v. County of Raleigh*, 2001 U.S. App. LEXIS 1544; *Mom 'N Pops, Inc. v. County of Charlotte*, 1998 U.S. App. LEXIS 20272; *D.G. Restaurant Corp v. Myrtle Beach*, 953 F.2d 149 (1992); *Hart Book Stores, Inc. v. Edmundson*, 612 F.2d 821 (4th Cir. 1979); *Centaw, Inc v. Richland County*, (S.C. 1990); and other cases; and on testimony to Congress in 136 Cong. Rec. 5 8987; 135 Cong. Rec. S. 14519; 135 Cong. Rec. S. 5636; 134 Cong. Rec. H 3750, and reports of secondary effects occurring in and around sexually oriented businesses, including, but not limited to: Phoenix, Arizona - 1984; Minneapolis, Minnesota-1980; Houston, Texas - 1997; South Carolinapolis, South Carolina; Amarillo, Texas; Garden Grove, California - 1991; Los Angeles, California - 1977; Whittier, California - 1978; Austin, Texas - 1986; Seattle, Washington - 1989; Oklahoma County, Oklahoma - 1986; Cleveland, South Carolina - ; and Dallas, Texas - 1997; St. Croix County, Wisconsin - 1993; Bellevue, Washington, - 1998; Newport News, Virginia - 1996; New York Times Square study - 1994; Phoenix, Arizona - 1995-98; and also on findings from the paper entitled "Stripclubs According to Strippers: Exposing Workplace Sexual Violence," by Kelly Holsoppic, Program Director, Freedom and Justice Center for Prostitution Resources, Minneapolis, Minnesota, and from "Sexually Oriented Businesses: An Insider's View," by David Sherman, presented to the Michigan House Committee on Ethics and Constitutional Law, Jan. 12, 2000, and the Report of the Attorney General's Working Group On The Regulation Of Sexually Oriented Businesses, (June 6, 1989, State of Minnesota), the Council finds:

(1) Sexually oriented businesses lend themselves to ancillary unlawful and unhealthy activities that are presently uncontrolled by the unlicensed operators of the establishments. Further, there is presently no mechanism in this County to make the owners and operators of these establishments responsible for the activities that occur on their premises.

(2) Sexual acts, including masturbation, and oral and anal sex, occur at unregulated sexually oriented businesses, especially those which provide private or semi-private booths or cubicles for viewing films, videos, or live sex shows.

(3) Offering and providing such unregulated space encourages such activities, which creates unhealthy conditions.

(4) Persons frequent certain adult theatres, adult arcades, and other sexually oriented businesses for the purpose of engaging in sex within the premises of such sexually oriented businesses, or for the purpose of purchasing or selling illicit drugs.

(5) Numerous communicable diseases may be spread by activities occurring in sexually oriented businesses, including, but not limited to, syphilis, gonorrhea, human immunodeficiency virus infection (HIV-AIDS), genital herpes, hepatitis salmonella, campylobacter and shigella infections, chlamydia, mycoplasma, and ureoplasmal infections, trichomoniasis and chancroid.

(17) Removal of doors on adult booths and requiring sufficient lighting on premises with adult booths advances a substantial governmental interest in curbing the illegal and unsanitary sexual activity occurring in adult theatres.

(18) The fact that criminal activity has occurred at the sexually oriented businesses located in the County leads to the rational assumption that sexually oriented businesses may engage in that conduct in contravention of this ordinance.

(19) The general welfare, health, morals and safety of the citizens of the County will be promoted by the enactment of this ordinance.

Section 2. Definitions.

For purposes of this section, the words and phrases defined in the sections hereunder shall have the meanings therein respectively ascribed to them unless a different meaning is clearly indicated by the context.

A. Adult Arcade.

"Adult Arcade" shall mean any place to which the public is permitted or invited wherein coin-operated or slug-operated or electronically, electrically, or mechanically controlled still or motion picture machines, projectors, or other image-producing devices are regularly maintained to show images to five or fewer persons per machine at any one time, and where the images so displayed are distinguished or characterized by their emphasis upon matter exhibiting or describing "specified sexual activities" or specified "anatomical areas."

B. Adult Cabaret.

"Adult Cabaret" means a nightclub, bar, restaurant, or similar commercial eating or drinking establishment, which regularly features:

- a. Persons who appear in a state of nudity,
- b. Live performances which are characterized by the exposure of "specified anatomical areas" or by "specified sexual activities,"
- c. Films, motion pictures, video cassettes, slides or other photographic reproductions which are characterized by the depiction or description of "specified anatomical areas."

C. Adult Theater.

"Adult Theater" means a commercial theatre, concert hall, auditorium, or similar commercial establishment, one of whose primary business purposes is to regularly feature

H. Nude, Nudity or a State of Nudity.

"Nude," "Nudity" or "State of Nudity" means a) the appearance of a bare human buttock, anus, male genitals, female genitals, or the areola or nipple of the female breast, or b) a state of dress which fails to cover a human buttock, anus, male genitals, female genitals, pubic region, or areola or nipple of the female breast.

I. Operate or Cause to be Operated or Operator.

"Operate or Cause to Operate," as used in this Ordinance, means to cause to function or to put or keep in operation. "Operator" means any persons on the premises of a sexually oriented business who is authorized to exercise overall operational control of the business or who causes to function or who puts or keeps in operation the business. A person may be found to be operating or causing to be operated a sexually oriented business whether or not that person is an owner or part owner of the business.

J. Person.

"Person" shall mean individual, proprietorship, partnership, corporation, association, or other legal entity.

K. Regularly Features or Regularly Shown.

"Regularly Features or Regularly Shown" means a consistent or substantial course of conduct, such that the films or performances exhibited constitute a substantial portion of the films or performances offered as a part of the ongoing business of the sexually oriented business.

L. Adult Model Studio.

"Adult Model Studio" means any place where a person, who regularly appears in a state of nudity is provided for money or any form of consideration to be observed, sketched, drawn, painted, sculptured, photographed, or similarly depicted by other persons.

It is a defense to prosecution for any violation of this ordinance that a person appearing in a state of nudity or did so in a modeling class operated:

- a. By a college, junior college, or university supported entirely or partly by taxation;
- b. By a private college or university which maintains and operates educational programs in which credits are transferable to college, junior college, or university supported entirely or partly by taxation, or;

Q. Specified Sexual Activity.

"Specified Sexual Activity" means and includes any of the following:

- a. The fondling or other erotic touching of human genitals, pubic region, buttocks, anus or female breast;
- b. Sex acts, normal or perverted, actual or simulated including intercourse, oral copulation or sodomy;
- c. Masturbation, actual or simulated;
- d. Excretory functions as a part of or in conjunction with any of the activities set forth in a through c above.

R. Viewing Room

"Viewing Room" means the room, booth, or area where a patron of sexually oriented business would ordinarily be positioned while watching a film, videocassette, or other video reproduction.

Section 3. Classification.

Sexually oriented businesses shall be classified as follows:

- (1) Adult arcades;
- (2) Adult cabarets;
- (3) Adult theaters;
- (4) Adult Model Studios; and
- (5) Sexual encounter establishments.

Section 4. Inspection.

(A) Sexually oriented business operators and sexually oriented business employees shall permit officers or agents of Oconee County to inspect, from time to time on an occasional basis, the portions of the sexually oriented business premises where patrons are permitted, for the purpose of ensuring compliance with the specific regulations of this Chapter, during those times when the sexually oriented business is occupied by patrons or is open for business. This section shall be narrowly construed by the County to authorize reasonable inspections of the premises pursuant to this chapter, but not to authorize a harassing or excessive pattern of inspection.

5. It shall be the duty of the operator, and of any employees present on the premises, to ensure that no sexual activity occurs in or on the premises.

6. It shall be the duty of the operator, and of any employees present on the premises, to ensure that not more than one person is present in a viewing room at any time. No person shall enter a viewing room that is occupied by another person.

7. It shall be the duty of the operator, and of any employees present on the premises, to ensure that no openings of any kind exist between viewing rooms. No person shall make an attempt to make an opening of any kind between viewing rooms.

8. It shall be the duty of the operator, or of any employee who discovers two or more patrons in a viewing room or discovers any person making or attempting to make an opening of any kind between viewing rooms, to immediately escort such persons from the premises.

9. It shall be the duty of the operator, or of any employee, who discovers an opening of any kind between viewing rooms to immediately secure such rooms, and prevent entry into them by any patron until such time as the wall between the rooms has been repaired to remove the opening. Removal and repairing openings between viewing rooms shall be in a manner that is as structurally substantial as the original wall construction.

10. It shall be the duty of the operator, at least once each business day, to inspect the walls between viewing rooms for openings of any kind.

11. It shall be the duty of the operator to post conspicuous signs in well-lighted entry areas of the business stating all of the following:

- a. That no loitering is permitted in viewing rooms.
- b. That the occupancy of viewing rooms is limited to one person.
- c. That sexual activity on the premises is prohibited.
- d. That the making of openings between viewing rooms is prohibited.
- e. That violators will be required to leave the premises.
- f. That violations of Subparagraphs (b), (c) and (d) of this paragraph are unlawful.

12. It shall be the duty of the operator to ensure that floor coverings in viewing rooms are nonporous, easily cleanable surfaces, with no rugs or carpeting.

13. It shall be the duty of the operator to ensure that all wall surfaces and seating surfaces in viewing rooms are constructed of or permanently covered by nonporous, easily cleanable material.

or more employees to monitor the activities of persons on such property by visually inspecting such property at least once every ninety (90) minutes or inspecting such property by use of video cameras and monitors; and (d) provide lighting of the exterior premises to provide for visual inspection or provide video monitoring to prohibit loitering. If used, video cameras and monitors shall operate continuously at all times that the premises are open for business. The monitors shall be installed within a manager's station.

(B) It shall be unlawful for a person having a duty under this section to knowingly fail to fulfill that duty.

Section 8. Additional Regulations Concerning Live Public Nudity.

It is unlawful for a sexually oriented business licensee to knowingly violate the following regulations or to knowingly allow an employee or any other person to violate the following regulations.

(A) It shall be a violation of this Chapter for an employee to knowingly or intentionally, in a sexually oriented business, appear in a state of nudity, unless the employee is at least six (6) feet from patrons and customers and on a stage at least eighteen (18) inches from the floor.

(B) It shall be a violation of this Chapter for an employee, while in a state of nudity in a sexually oriented business, to knowingly or intentionally receive any pay or gratuity directly from any patron or customer or for any patron or customer to knowingly or intentionally pay or give any gratuity directly to an employee, while said employee is in a state of nudity or in a sexually oriented business. A patron or customer who wishes to pay or give a gratuity to a performer shall place the gratuity in a container that is at all times located separately from the performers for the purpose of preventing any physical contact between a patron and a performer.

(C) It shall be a violation of this Chapter for an employee, while in a state of nudity in a sexually oriented business, to knowingly or intentionally touch a customer or the clothing of a customer.

A sign in a form to be prescribed by the County Planning Director and summarizing the provisions of Paragraphs A, B, and C of this Section, shall be posted near the entrance of the sexually oriented business in such a manner as to be clearly visible to patrons upon entry.

Section 9. Compliance

Any sexually oriented business operating within the boundaries of Oconee County, South Carolina as of the effective date of this Ordinance shall have ninety (90) days from the effective date of this Ordinance to comply with all provisions of this Ordinance. This Ordinance shall go into effect on the date of the Third Reading.

APPROVED on SECOND READING this _____ day of _____, 2002, by a
vote of:

_____ YES

_____ NO

OPAL O. GREEN, CLERK

APPROVED on THIRD READING this _____ day of _____, 2002, by a
vote of:

_____ YES

_____ NO

ANN HUGHES
Supervisor-Chairman
Oconee County Council

Attest:

OPAL O. GREEN, CLERK

To: Floh add

OCONEE COUNTY ENGINEERING

Oconee County, South Carolina
365 Airport Road
Seneca, SC 29678
864-882-2959

*CC Council
Agreement of Karen Ballinger
New Business*

April 23, 2002

Nancy Goehle, City Administrator
City of Walhalla
P.O. Box 1099
Walhalla, SC 29691

Dear Nancy,

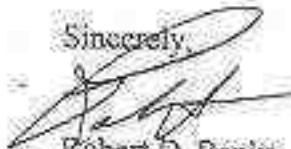
As you recall, we spoke several weeks ago regarding the possibility of constructing a joint use parking area in downtown Walhalla. The area would be directly behind the Earle house, which is situated between Booker Street and South Broad Street. Enclosed you will find a conceptual sketch of the proposed parking lot.

Oconee County is very interested in partnering with Walhalla to help ease the parking strain around the new courthouse, the Health Department and Magistrates office, as well as the proposed Chamber of Commerce (Earle house). Although existing parallel parking along streets must still be used, this plan will add additional spaces for those using the downtown area.

I would be interested in meeting with you at your convenience to work out the details of a joint use agreement. It is my belief that this would be a win-win situation for both the City and Oconee County.

I look forward to hearing from you. If you have any questions, please feel free to call.

Sincerely,



Robert D. Banks
Oconee Co. Engineer

Enc.

cc: Ann Hughes, County Supervisor

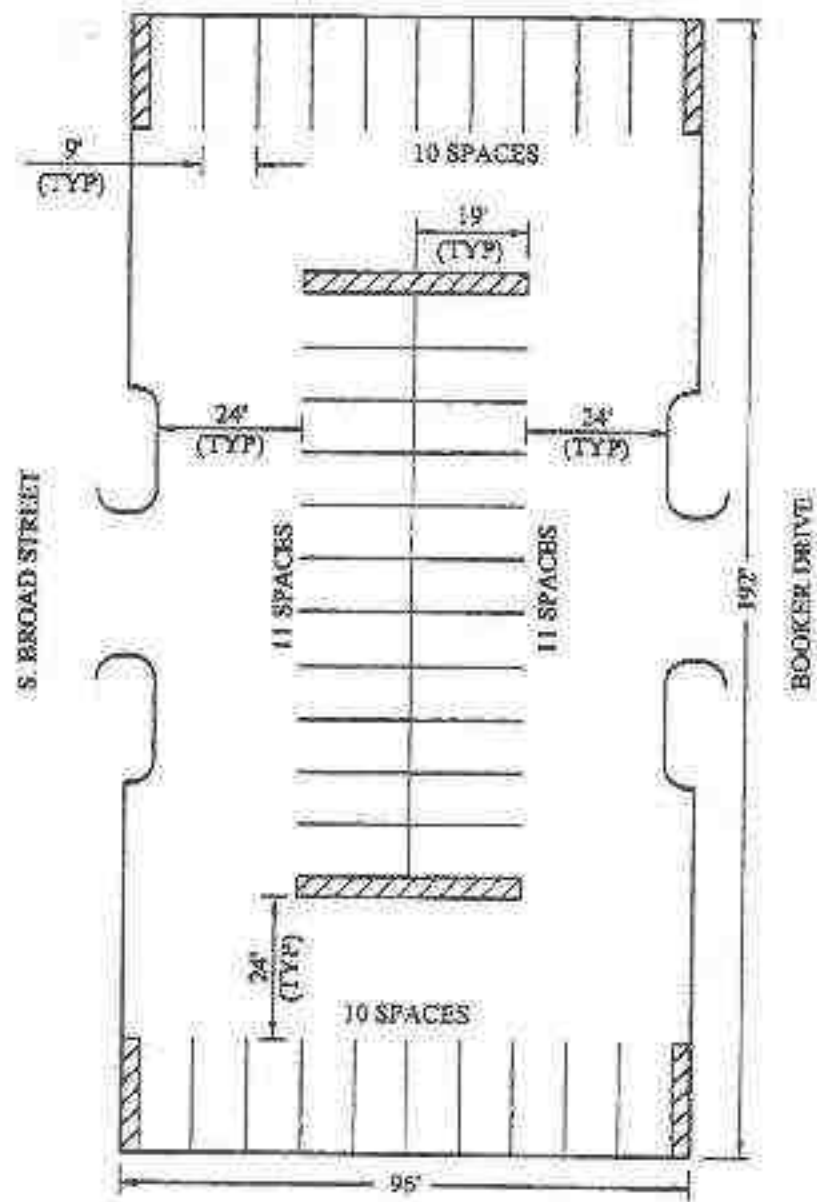
Post-it® Fax Note 7871 Date 4/23 d of pages 1

To Robert Banks From Alan Page
Phone 888-4803 Co. Goldie + Assoc



1 inch = 30 ft.

EARLE HOUSE



GOLDIE & ASSOCIATES
PROJECT #22.37

S. TUGALOO STREET

S. BROAD STREET

BOOKER DRIVE

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)

DECLARATION OF
RESTRICTIVE COVENANTS FOR
OCONEE COUNTY COMMERCE
CENTER

The premises, known as the Oconee County Commerce Center, affected by the restrictive covenants and conditions set forth in the Articles below shall be as follows:

Legal Description: See attached Schedule A

**ARTICLE I
SUBJECT PROPERTY**

The real Property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these Covenants, is located in Oconee County, South Carolina, and is more fully shown on Exhibit "A" (*insert Plat as Exhibit A*) attached hereto and is incorporated herein by reference. Oconee County, owners of the above stated property, has, and hereby reserves unto itself, the exclusive, unrestricted and unconditional right to add to the Property described above, or any portion thereof, to this Declaration as approved by Oconee County. Property so added need not be contiguous to the Property subject to this Declaration. Any such addition shall be accomplished by the execution of a Supplemental Declaration identifying the property to be added, and the recording of the Supplemental Declaration in the Oconee County Office of Register of Deeds. Upon the recording of a Supplemental Declaration adding Property to this Declaration, the Property so added shall become acquired, held, owned, encumbered, used, managed, leased, occupied, enjoyed and transferred subject to the covenants, conditions, restrictions, easements, uses, privileges, charges, assessments, liens and terms and provisions herein set forth and shall be a part of the Oconee County Commerce Center for all purposes hereunder. Nothing herein shall be construed to obligate Oconee County to develop any lands other than as described above.

**ARTICLE II
DEFINITIONS**

- 1) Center shall mean and refer to the Oconee County Commerce Center.

- 2) County (as in "the County")- for the purposes of this document shall mean Oconee County, the Governing Body of Oconee County, the County Supervisor, or any agent so designated by the Governing Body to implement and enforce these covenants.
- 3) Declaration- shall mean this Declaration of Restrictive Protective Covenants for the Oconee County Commerce Center.
- 4) Developer- shall mean Oconee County, or any other agency designated by the Governing Body to act on the behalf of Oconee County.
- 5) Governing Body- shall mean the Oconee County Council.
- 6) Improvement- shall refer to any structure or improvement of any kind whether below, at, or above grade, located anywhere on the Property including but not limited to the following: structures, office buildings, commercial facilities, industrial facilities, research and development facilities, warehouse facilities, garages, parking facilities, cables, conduit, wiring, towers, mast antennas, microwave dishes, mechanical equipment, loading facilities, walkways, driveways, fences, berms, landscaping, sculptures, art fountains, lighting standards and fixtures, water systems, site grading and other artificial earth movements.
- 7) Owner- shall mean and refer to the record Owner whether one or more persons, firms, associations, corporations, partnerships or other legal entities of the fee simple title to any Lot.
- 8) Lot- any area of land that is subject to this Declaration as described in Article I of this Declaration.
- 9) Property- shall refer to the land in the area designated as the Oconee County Commerce Center.
- 10) Substantial Completion- shall refer to the level of progress achieved by a business locating within the Center when all pertinent permits required for operation have been obtained.

ARTICLE III PURPOSE

The purpose of this Declaration is to: ensure proper development and use of the Property, protect the Owner of each Lot against such improper development and use of surrounding Lots, prevent the erection of structures built of improper design and

materials, encourage the erection of attractive Improvements at appropriate locations, prevent haphazard and inharmonious Improvements, secure and maintain proper setbacks from streets and Property lines, create adequate free spaces between structures; and in general provide adequately for the high quality of development of the Property subject to this Declaration. In order to establish an orderly land use plan for the Improvement and development of the Property, Osceola County desires to subject the Property to certain conditions, covenants, easements, and restrictions upon and subject to which all Property shall be held, used, improved, transferred, and conveyed. This Declaration has not been compiled to hinder any business, industry, or other commercial entity from locating within the confines of the County, but rather to uphold the rights and standards as not to hinder the existing businesses, industries, or other commercial entities.

ARTICLE IV LAND USE

The premises affected hereby and any building or buildings erected thereon shall be used solely for industrial, manufacturing and distribution operations of a type and character approved in writing by the County. The following uses and businesses shall not be permitted within the boundaries of the above defined Center:

- Farming or Agricultural use;
- Marine or Automotive garage, repair or sales facility;
- Truck stop or gasoline filling station;
- External building material storage, lumber yards, coal or wood yards, poultry houses or stone or monument works;
- Scrap yard storage;
- Manufacture, storage, distribution or sale of explosive materials or any materials whose presence would disadvantageously affect the insurance rates of neighboring business within the Center;
- Auto-wrecking yard, salvage yards, used material yards, external storage or baling of waste or scrap paper, scrap metals, bottles or junk;
- Central mixing plant for asphalt, plaster or concrete;
- Any type quarrying operation;
- Temporary storage buildings, mobile homes or offices (except during periods of construction), wood, plastic or metal sheds, pole buildings, carports, lean-to or other structures deemed to be unsightly by the County;
- Landfills, garbage dumps, sewer or waste outfalls and other similar facilities;
- Commercial operations such as banks, barber/beauty shops, restaurants, or other retail and service businesses permitting unrestricted public access to facilities (food service operations which are located within the facilities of an approved business and which provide food or refreshment only to the staff, employees, or guests of said business shall be permitted);

- Schools, daycare operations, nurseries, or other businesses regularly permitting access to facilities by individuals under sixteen (16) years of age.

No noxious or offensive trade or activity shall be conducted or carried on, nor shall anything be done on the property which may be or may become an annoyance or nuisance to the owners or users of other property in the area affected by these covenants by reason of unsightliness or the excessive emission of odors, dust, fumes, smoke, noise, or any other activity deemed to be inappropriate by the County.

ARTICLE V SETBACKS AND EASEMENTS

Any structure or improvement erected upon any building site within the Center shall be situated at least fifty (50) feet from any side or rear Property line; at least one hundred (100) feet from any Property line abutting Scenic Highway 11 or other primary road; and at least seventy-five (75) feet from any Property line abutting a secondary road.

The County hereby reserves a perpetual, alienable and releasable easement(s) for all easements of any nature and all drainage and stormwater management facilities and detention basins. The County shall have the unrestricted and sole right and power of alienating, conveying and releasing any platted easements reserved under the terms of this paragraph. All such platted easements, facilities and features shall remain private and the sole and exclusive property of the County, its successors and assigns, unless conveyed or alienated to third parties.

ARTICLE VI OFF STREET PARKING AND LOADING AND UNLOADING AREAS

All parking areas in the Center shall be off street parking. No parking areas shall be allowed along streets, on road shoulders, or in other areas not specifically approved by the County. Parking is specifically prohibited on landscaped or other unimproved areas. All parking areas shall be constructed of reinforced concrete or asphalt paving, and shall consist of the ratio of handicap accessible to standard parking spaces as specified by adopted building codes. All handicap accessible spaces shall conform to American Disability Act (ADA) standards.

Truck loading and unloading areas shall be provided in off street locations. Such areas shall be constructed of concrete or asphalt paving and shall be located at the side or rear of buildings or improvements, and shall not be visible from Scenic Highway 11. All portions of loading and unloading areas shall be at least twenty-five (25) feet from any street or road right-of-way.

**ARTICLE VII
LOT COVERAGE AND IMPERVIOUS SURFACE**

Not more than fifty percent (50%) of any Lot area shall be covered by buildings. The maximum impervious surface area shall be 60% of any Lot.

**ARTICLE VIII
LANDSCAPING**

All landscaping shall be done in accordance to plans approved by the County, and shall be installed within 60 days of Substantial Completion of construction. In the event that weather or other seasonal factors threaten to negatively impact trees, plants, or other landscaping materials planned for the project, a time extension for completion of the project may be granted by the County, in no case, however, shall the completion of landscaping installation be permitted later than ninety (90) days after Substantial Completion. The County may approve the usage of temporary trees, plants, or other landscaping materials until approved permanent items are installed. All landscaping shall be maintained in a neat, well-kept condition, with any diseased, wilted, dead, or otherwise unsightly vegetation removed immediately and replaced with healthy plants. No fencing, wall, hedge, or mass planting shall be erected, installed, or permitted to remain without prior written approval of the County.

**ARTICLE IX
CONSTRUCTION OF FACILITIES, ARCHITECTURAL DESIGN, AND
HEIGHT RESTRICTIONS**

All construction activity occurring within the Center shall comply with all building and safety codes adopted and enforced by Oconee County. Removal of trees, clearing and grubbing operations, and other site work shall not commence prior to issuance of a Notice to Proceed by the County. No building, structure, or improvement of any kind shall occur within the one hundred (100) year floodplains and jurisdictional wetlands found within the confines of the Center.

All exterior walls of all structures and improvements shall consist of one of or a combination of the following materials: face brick, concrete block, pre-stressed concrete panels, architectural glass, or alternative materials approved by the County prior to installation. Metal siding shall not be utilized on any wall visible from Scenic Highway 11 (or other primary or secondary road). The County may approve the use of metal siding or other similar material on the sides of buildings visible from Scenic Highway 11 provided the owner installs an approved screen of sufficient height to restrict the view of the wall from the road. All exposed block or metal (excepting those with pre-finished surfaces) shall be painted or varnished within 30 days of the Substantial Completion of the project.

All components of any building, structure, or improvement located in the Center shall be compatible with the approved architectural concept of each facility. All heating, ventilation, and air conditioning (HVAC) components, masts, antennas, or other structures extending above the roofline of any building shall be screened to prevent sight of said item from surrounding grounds, adjacent properties, and roads.

No flagpole shall exceed thirty (30) feet in height.

No structure or improvement erected in the Center shall exceed forty-five (45) feet in height.

ARTICLE X MAINTENANCE

The Owner shall at all times keep all property, tracts, premises, buildings, and other structures of any nature in a safe, clean, neat, and sanitary condition; all applicable laws, ordinances and regulations pertaining to health and safety shall be complied with. The owner shall provide for the removal of trash and rubbish from each premises. During construction, it shall be the responsibility of the Owner to ensure that all areas are kept free of unsightly accumulations of scrap materials, trash, and rubbish. All construction materials, temporary office facilities or other structures, equipment, and tools shall be maintained in a neat and orderly manner.

ARTICLE XI UTILITY CONNECTIONS

All utility connections, including all electrical and telephone connections and installation of wires to improvements, shall be made underground from the nearest available source. No transformer, electric, gas or other meter of any type, or other apparatus shall be located on any power pole or hung on the outside of any building or other improvement. All such devices shall be placed at or below ground level and be adequately screened.

The County reserves the right to grant easements over, through, across, and under any of the Property for the purposes of all electric, water, sanitary sewer, storm drainage, gas, telephone, fiber optic cable service, cable television, security systems and all other utilities necessary or desirable, whether for the benefit of any building site or for the common areas; provided such easements do not interfere with existing improvements constructed, or in the process of being constructed, on building sites.

ARTICLE XII STORAGE

The outside storage of raw materials or finished products shall be allowed if the site is well kept in an orderly fashion. Finished or semifinished products temporarily placed outside shall be placed in areas not visible from Scenic Highway 11 and other primary and secondary roads. All outside storage is subject to review by the County, and sites deemed unsightly shall be fenced or covered as directed by the County.

ARTICLE XIII SIGNS AND LIGHTING

All signs shall have the primary purpose of identifying the site occupant and its product, shall be submitted to the County for review and approval prior to installation. All signs shall be placed in a location approved by the County. Sign lighting shall be internal, back lighting, or recessed ground lighting, with all lighting placed to insure that passing motorists or adjacent property owners shall not be disturbed. Building signs shall be for identification only, and shall be submitted to the County for review and approval prior to the installation. All building signs mounted on exterior walls shall not project above the roofline. Directional signs and other freestanding signs necessary to properly identify structures, improvements, and related parking areas in the Center shall be permitted upon review by the County. Flashing neon, flashing lights, and mobile signs are prohibited.

All light sources in the Center shall be designed to avoid disturbance of passing motorists on Scenic Highway 11 and other primary and secondary roads. Colored lights shall be allowed only with the permission of the County. Lighting for parking and loading areas shall be engineered to provide a safe level of illumination while avoiding glare and encroachment onto adjacent properties.

ARTICLE XIV PLANS AND SPECIFICATIONS

Plans and specifications for any and all improvements to a lot must be submitted to the County prior to any site work and/or construction. Plans and specifications must show conformity to all rules, regulations, and covenants governing the Center, and shall be reviewed by the County for conformity and harmony of exterior design with existing or prospective structures. The County shall make every effort to insure a prompt response to requests for review of plans and specifications, and will in no case fail to provide such response later than sixty (60) days after submission. No deviation from approved plans and specifications shall be permitted without express written permission from the County. The County shall not be liable to any person under any theory or circumstance in connection with its approval or disapproval of any drawings, plans, or specifications, including without limitation, any liability based on the soundness of construction, adequacy of drawings and specifications, or otherwise.

**ARTICLE XV
INSPECTION OF PROPERTY**

The County shall expressly have the right to inspect during regular business hours all premises within the Center during the period of construction, alteration, or modification to insure that all such activity is being conducted in accordance with approved plans and specifications. The judgment of the County shall be final.

**ARTICLE XVI
NOTICES**

All papers and instruments required to be filed with or submitted to the County shall be delivered personally or sent by certified mail, return receipt requested, to the Oconee County Supervisor, 415 S. Pine Street, Waihalla, SC 29691, or to such other address as the County may specify.

**ARTICLE XVII
SUBDIVISION OF LOTS**

No portion of any Lot shall be sold or conveyed except, in case of a vacant Lot, the same may be divided in any manner between the Owners of the Lots abutting each side of the same. In addition, two (2) or more contiguous Lots, when owned by the same party, may be combined to form one (1) single building Lot. In either of the two (2) instances cited above, the building line requirements, as provided herein, shall apply to such Lots as combined. In the case of two (2) or more contiguous Lots being combined into one (1) Lot, the Owner may, provided the action complies with all rules, regulations and covenants of the Center and Oconee County, subsequently re-subdivide the combined Lot into two (2) or more Lots, provided no resulting parcel has an area smaller than five (5) acres. Any re-subdivision of property that increases the number of Lots to more than that combined to create the parent parcel shall require approval of the County. In no case shall the area of any single parcel located within the Center be less than five (5) acres. Nothing herein shall be construed to allow any portion of any Lot so sold or conveyed to be used as a separate building Lot. The provisions of this Article shall not be construed to limit the ability of the County to further subdivide the property shown on the plat referred to in Exhibit "A" hereto.

**ARTICLE XVIII
ENFORCEMENT**

Each Owner shall assume responsibility for compliance with the terms, provisions and conditions of this Declaration by all employees, agents, independent contractors, tenants, building occupants, customers, and visitors.

The County, its successors and assigns, reserves the right to re-purchase any Lot if within one (1) year from the date of the deed by which it is conveyed, if no building has been commenced thereon, or if before a building has commenced, the grantee, its heirs or assigns, offer the Lot for sale. Said re-purchase cost shall be the purchase price paid for the Lot by Owner plus any real estate taxes paid on the Lot.

ARTICLE XIX VARIANCES

The County is authorized and empowered to grant reasonable variances from the provisions of this Declaration on a case by case basis in order to overcome unnecessary hardships in the application of the provisions contained herein; provided, however, that such variances shall be reasonably consistent with the purposes hereof and shall not materially adversely affect any existing Improvements on the property. The following criteria shall be considered by the County when granting a variance:

- 1) extraordinary and exceptional conditions pertain to the particular Lot for which the variance is sought
- 2) said conditions do not generally apply to other property in the Center
- 3) because of the said conditions, a strict application of the provisions in this Declaration would effectively prohibit or unreasonably restrict the utilization of the Lot
- 4) the authorization of a variance will not be of substantial detriment to adjacent properties or the character, image, value, or purpose of the Center

The fact that property may be utilized more profitably should a variance be granted shall not be considered grounds for a variance.

In granting a variance, the County, if it deems it necessary to insure consistency with the provisions of this declaration, may impose conditions regarding the location, character, or other features of the proposed building, structure, or Improvement for which the variance is being sought. A variance granted pursuant to the authority granted herein shall constitute a waiver of provisions of this Declaration by all Owners of Building Sites, by the Owners of the subject site, and all Owners hereby irrevocable and unconditionally appoint the County as their true and lawful attorney-in-fact for the limited purpose of consenting to the aforesaid variances. Upon receipt of an application for a variance, the County shall appoint a design review committee, constituted in accordance to the standards put forth in Article XXIX of these covenants, which shall review and recommend to approve or disapprove the variance. The County reserves the right to render the final decision to approve or disapprove the variance.

**ARTICLE XX
EXISTING BUSINESSES**

All existing businesses located in the Center having achieved Substantial Completion prior to the execution of this Declaration shall be exempted from its provisions. Any improvements or expansions to existing facilities begun after execution of this Declaration shall be subject to all provision contain herein.

**ARTICLE XXI
BENEFICIARY**

The conditions, covenants, restriction and Reservations set forth above shall be for the benefit of the Oconee County Commerce Center, its resident businesses, and Oconee County, South Carolina.

**ARTICLE XXII
COVENANTS SHALL RUN WITH THE LAND**

The protective covenants herein set forth shall be deemed to be covenants running with the land and the same shall be binding upon the grantees and their respective heirs, successors and assigns. All parties claiming by, through or under any one of them shall take, own, hold, convey, hypothecate, lease, rent, use, occupy, and improve the subject property to these restrictive covenants. The Owners of any Lot affected by this Declaration, by acceptance of the deed of conveyance, hereby agrees to conform to and observe said restrictive covenants as to the use of building sites and the construction of improvements thereon. The County, its successors and assigns, or any Owner of any tract of land affected hereby shall have the right to sue for and obtain an injunction to prohibit the violation of or to enforce the observance of the restrictive covenants set forth above or to pursue any other right of remedy at law or equity, including, but not limited to actions for damages. The failure of any such person or entity to enforce a restriction herein set forth at the time of its violation shall in no event be deemed to be a waiver of the right to seek such enforcement as to any subsequent violation. The violation of these restrictive covenants shall not render invalid the lien of any mortgage made in good faith for value before or after such violation.

**ARTICLE XXIII
SEVERABILITY**

Invalidation of any part of the covenants, conditions, restrictions, or reservations imposed hereby, through judgment or order of a court of competent jurisdiction, shall in no way affect the remaining provisions hereof, which shall continue and remain in full force and effect.

**ARTICLE XXIV
LIABILITY**

Neither the County, its agents, successors or assigns, shall be liable, in damages or otherwise, to anyone submitting plans for approval, or to any Owner affected by this Declaration, for any cause or claim arising out of, or in connection with the approval or disapproval or failure to approve, such plans and specifications. An applicant by making application for approval agrees, and every Owner of any Building Site agrees by acquiring title thereto or interest therein, that it shall not bring any action or suit against the County, its agents, successors or assigns, to recover any such damages or any other relief based upon the aforesaid causes or claims.

**ARTICLE XXVI
TERM**

These Covenants shall include all persons claiming any interest in the land and run with the land for a period of twenty (20) years from the date hereof, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated. During the term, the County will reserve the right to correct errors to the Declaration, which the County determines to be of a clerical or otherwise non-substantive nature. Such correction shall not be deemed an amendment hereto for purposes of the voting requirement, but shall, upon being made by the County, become binding on all Owners.

**ARTICLE XXVII
AMENDMENTS**

The County reserves the right to amend this Declaration as required.

**ARTICLE XXVIII
CONFLICT OF STANDARDS**

In the event that part or all of this Declaration conflicts with any federal, state, or local regulation, ordinance or law governing Lots located in the Center, the more stringent standard shall apply.

**ARTICLE XXIX
DESIGN REVIEW COMMITTEE**

All applications for variance to the standards of these covenants shall be reviewed by a design review committee composed of the following members:

- County Supervisor, or representative

- County Attorney
- One (1) member of Planning Commission
- One (1) member of Economic Development Commission
- One (1) member appointed by Governing Body

A quorum of 3 members shall be required to conduct a vote on the committee's recommendation(s). The recommendation(s) of the committee are non-binding, and shall be received by the County for consideration only. The County reserves the right to make the final decision to approve or deny all requests for variance from these covenants.

137 Holly Hill Drive
Mountain Rest, SC 29664
May 17, 2012

Oconee County Council
South Pine Street
Walhalla, SC 29691

RE: DEED TO RIGHT-OF-WAY Book 1112 Page 102

Dear Mrs. Green:

On October 11, 2000 my wife, Deborah and I sign a deed of right-of-way to Oconee County with the understanding that this road would be paved within (45) forty-five days. The road has not been paved. That and observing the speeding which is on the road with no enforcement from the law, we would like to withdraw our deed to right-of-way. We feel it would be endangering our safety. Therefore we are requesting the Council to reverse this deed.

Thank you for your help.

Sincerely,

Deborah J. Miller

Mark L. Miller

Mark L. Miller

ACCEPTED FOR GENERAL COUNTY OF DeWitt
 AUTHORITY DeWitt DATE: 12-19-66

THE STATE OF SOUTH CAROLINA Robt Mc 011975
 COUNTY OF DEWITT DEED TO RIGHT-OF-WAY

REGISTRY NO. CH-41 Dates: 12/19/66

SUBDIVISION WHEN APPLICABLE

KNOW ALL MEN BY THESE PRESENTS, that, for and by MARK E. MILLER & DOUGLAS V. MILLER, Trustees of the firm of the latter, to me (or as in and to the associate and successors of the estate of the DeWitt County Water System, Inc., DeWitt County, in order to permit its hereby authorized, have granted, conveyed, sold and released and by these presents do grant, bargain, sell, release and convey unto the assigns of the latter, a right-of-way for the construction and installation of a water pipeline from Highway 201 to 208 in DeWitt County, South Carolina.

On Tract No. CH-41 State and County maps etc. see Page 102 recorded with the Clerk of Court, DeWitt County, on and over all lands which for well and water in and to the same, for the purpose of hereafter conveying, improving and maintaining the same described highway with the bridges and appurtenant thereon, and the installation of public utilities, and ever being provision that Map 682-28-41-41 and being over the lands indicated here Jack W. Robinson, A. Murphree, J. Robinson.

Said Tract 682-28-41-41 is a lot of 50 feet, that

is 50 feet in width and of the entire line of the National Electric Streetcar right-of-way which is necessary for a lot of 50 feet in width and of the entire line of the National Electric Streetcar right-of-way which is necessary for a lot of 50 feet in width.

"State: Provision". This instrument does not constitute a mortgage, lien, charge, or encumbrance of any kind upon the lands hereinafter described, and it is intended to be interpreted as such.

0770602247
 0101/04
 0101/04

TO HAVE AND TO HOLD, All singular the said right of way and the rights hereunto attached unto the said DeWitt County, its successors and assigns forever.

TO HAVE AND TO HOLD, All singular the said right of way and the rights hereunto attached unto the said DeWitt County, its successors and assigns forever.

WITNESSES WHEREOF, I, the undersigned, being duly sworn to and sworn to, have hereunto set my hand and the seal of said County, this 11th day of December, 1966, at DeWitt, South Carolina.

WITNESSES CALLED AND SWORN TO IN THE PRESENCE OF:
Mark E. Miller
Douglas V. Miller
 Signature: Mark E. Miller
 Name: Mark E. Miller
 My Commission Expires: 12/31/70

FILED FOR RECORDED IN THE OFFICE OF THE COUNTY CLERK OF DEWITT COUNTY, SOUTH CAROLINA
 12 19 66

THE STATE OF SOUTH CAROLINA, COUNTY OF DEWITT
 Notary Public for South Carolina
 My Commission Expires: 12/31/70